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BUSINESS BOOK-KEEPING.

A

MANUAL OF MODERN METHODS IN RECORDING BUSINESS TRANSACTIONS.

HIGH SCHOOL EDITION.—SINGLE AND DOUBLE ENTRY.

BY

GEORGE E. GAY.



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PREFACE.

THE forms presented in this book are taken from the methods of the best accountants, and are believed to be the best yet devised for their purpose. The manner in which they are presented is the result of considerable experience in teaching the subject, and has been proved to be practical and satisfactory.

The transactions are taken from the records of actual business, and are complete and representative within their limits. They are also numerous enough to afford considerable practice in business computations and records.

While the author has had in mind the special needs of public schools, he has tried to make his book so simple and complete that it will prove a satisfactory guide to those who wish to obtain by private study a knowledge of the principles and the practice of Book-keeping.

It is often asserted that pupils who pursue the study of Book-keeping in the schools do not secure any adequate knowledge of the subject. If the assertion is true, it implies that there is some fault in the text-book, or in the teachers, for there is no necessary difference between the instruction of the counting-room and the instruction of the school-room. Given the same principles, the same forms, the same transactions, the same intelligent direction, and the same persistent effort, what else is required to fulfill all the conditions of actual business? This text-book presents the principles of the science, the forms in general use, and the transactions of various kinds of business. It is hoped that it will encourage intelligent direction and persistent effort, and, as far as possible, unite the advantages of the counting-room and the school-room.

The book is designed to furnish instruction and practice for a course of one year. The exercises given in the book can be written in much less time; but it is believed that the writing of every form should be followed by actual transactions, conducted by the pupil and carefully written up, till the form is mastered. A few forms well mastered will prove more valuable than the entire book hastily or blindly written up. A course of five months might well include chapters I., II., III., IV., VI., VII., VIII., IX., XII., XIV. A course of three months might well include chapters I., II., III., IV., V., VI., VII.; or, if a little double-entry is required, chapters I., II., III., VIII., IX., XII. A course of two months might include chapters I., II., III., and either IV. or VI.

The questions inserted at the close of every chapter are designed to be of service to the pupil in preparing his lessons, and to the teacher in conducting his class exercises. They often include questions not answered in the text, which should inspire the pupil to independent thought and the teacher to independent teaching. The Key, which will be sold only to those known to be teaching from this book, furnishes further suggestions to teachers concerning the best methods of teaching the subject.

The teacher of Book-keeping sometimes finds difficulty in deciding upon the terminology which he shall employ. Shall he say Bills Receivable or Notes Receivable, Purchase Book or Invoice

Book, Day Book or Journal, debtor to or debtor for? These are a few of the questions which he must answer. He may say, I will use the terms usually employed; or, he may say, I will use the most appropriate terms. Either method may prove unsatisfactory. He must teach the language of the counting-room, or his pupils will speak an unknown tongue; he must teach the best, or he will fall below his own ideal. This book does not completely solve the problem, but it recognizes it. With important exceptions the older and commoner terminology will be found in its earlier chapters, and the later and better terminology in subsequent chapters.

The teacher of this book, or of any other book on the subject of Book-keeping, must distinguish carefully between its theoretical portions and its practical portions. The principles must be firmly grasped, and, to secure this result, exercises wholly cumbersome and antiquated may be employed. For example, to secure a clear notion of debit and credit, a pupil may be required to journalize a series of transactions, — as one might practice exercises in music to secure proficiency in certain necessary movements. But he would be a very careless or unfaithful teacher who allowed his pupils to think that such operations were wise or common in business. If theory and practice are to be compared, doubtless theory is the more important. But correct theories, when learned, may be applied as easily to modern and expeditious forms as to obsolete and cumbersome ones.

Book-keeping, carefully and practically taught, is a delightful subject; no branch of knowledge pursued in our schools excites greater interest in pupils. It is well adapted to mental training. Its principles are few, but they have an infinite variety of applications. To trace the principle which underlies a form, and to devise a form which shall lighten labor and embody a principle, are mental operations of high value. If the teacher who uses this book insists on a thorough mastery of every principle as it is introduced, and facility in the use of every fundamental form; if he secures accuracy, care, and diligence; and if he gives a reasonable amount of time to the subject, he will be wholly satisfied with both the practical and the disciplinary benefits which his pupils receive.

The author gladly avails himself of this opportunity to express his obligations to his friends, Mr. John O. Norris, Head Master of the Charlestown High School, and Mr. Charles W. Parmenter, Master in the Cambridge Latin School, who have kindly read the proofs of the book, and whose suggestions and criticisms have been of great value.

He is also indebted for many favors to Mr. George W. Hopping of New York, to Mr. Edward A. Drew of Minneapolis, to Miss Charlotte F. Hill, Mr. Albert W. Mann, Mr. George F. Gay, and Mr. William H. Hobbs of Boston, to Mr. D. Demarest of Lynn, and to many other experienced accountants, who have assisted him with valuable advice and materials.

He also gladly acknowledges the kindness and liberality of his publishers, who have spared neither labor nor expense in putting his work into attractive form.

GEORGE E. GAY.

TO THE TEACHER.

A METHOD OF TEACHING BOOK-KEEPING.

EVERY good teacher has with his other qualifications a good method of teaching, and I have no wish to prescribe to those teachers who may use this text-book the particular way in which they shall teach the science and art of Book-keeping.

At the request of many teachers, however, I give a description of my own method, in the hope that it may be helpful, by way of suggestion, to some of my co-workers in the educational field.

MATERIALS.

The pupil should be furnished with the following materials:—

1. A supply of blanks.
 2. Bill paper ruled like the blanks. This is not essential, but it may sometimes be used with better economy than the blanks.
 3. Two good penholders. These should be plain, straight cylinders. One should always be used with the pen for black ink, and the other with the pen for red ink.
 4. Good pens. These should be supplied liberally, and the pupil never should be allowed to write with a poor pen.
 5. A good ruler. This should be at least a foot long and a quarter of an inch in thickness, with a bevelled edge. It is well to have it longer and thicker than this if convenient. The bevelled edge should be very smooth.
 6. Good black ink. This should flow readily, be black when first used, and be easily removed from varnished surfaces with a damp sponge. The inkwells should be filled at first with ink that has not been diluted, but all subsequent filling should be made from ink that has been diluted with an equal quantity of water. Great care should be taken to keep the wells free from dust. They need to be cleansed at least once a year.
 7. Good red ink. This should be kept in a separate well, or in a bottle that will not break when dropped on the floor, or spill the ink when overturned.
 8. Blotting-paper.
 9. A good pen-wiper.
- Dividers, ruling-pen, and parallel ruler may be added, but are not essential.

DIRECTIONS.

The following cautions and directions need to be given to the pupil, — some at the beginning of his work, others as they are needed:—

1. Never scribble or write hurriedly. Make every letter and every figure as well as possible.
2. Figures are of the greatest importance. They should be made in a uniform manner, and always arranged with “units under units, and tens under tens,” when put in columns.
3. Ruling should be done with the bevelled edge of the ruler, scarfed side down. In drawing double lines, the ruler should not be moved after drawing the first till the second has been drawn.
4. Ledger accounts should be indexed before they are opened.
5. All figures which may possibly be wrong should be made first with a pencil. This applies to footings, balances, etc.

6. Great care should be taken not to dip the black ink pen in the red ink, and *vice versa*. One or two mistakes of this sort will spoil both the black and the red ink.

7. Erasures should rarely be made. Errors should be neutralized by corrective entries on the other side of the account. When an erasure must be made, it should be done as follows: The ink should be removed with a sharp knife-blade or steel eraser; the place should then be rubbed with a rubber ink-eraser, and a clean piece of ivory or steel. This gives a surface which can be written upon readily.

8. Absolute accuracy having been attained, speed will come of itself through practice.

9. In a Ledger account, entries should cease, and a new account should be opened when the third line from the last has been reached. The remaining space is needed for closing entries.

10. When it is necessary to place several accounts on one page of the Ledger, the double red line which begins each account should be drawn midway between two of the blue lines. This gives to each account the same appearance as the first.

11. All ruled lines, except those under Ledger titles, are drawn on the blue lines.

12. Clean hands are essential to good work.

13. If ink is dropped on the desk, it should be removed with a sponge at once. For this purpose a damp sponge should always be kept in a saucer near the teacher's desk.

14. When a pen is laid down for a minute, it should be placed on a bit of blotting-paper which has been rolled into a semi-cylindrical form. When it is to be laid aside, it should be carefully wiped.

FIRST LESSONS.

When pupils copy the first records of the text-book into the proper blank, there is danger of many errors, and the first writing may be done on loose paper. Great care should be taken with this work. See that correct habits are formed. Accept no slovenly work. Let the page present as neat and attractive an appearance as possible. See that rulings are light, clear, and in the proper place. See that every principle is understood. Let the pupil tell why he has made every entry as he has.

When the pupil has copied the record of one series of transactions, he is given a statement of another series of transactions, and required to record them in the proper form in his blank. If he has the principles well in mind, he will make few errors. Other memoranda are now given him, which he writes up in the same way. This is continued until he can make his record in the prescribed form without errors.

THE SECOND STEP.

When the pupil has a correct theoretical knowledge of a simple method of recording common business transactions, see that he can put his theories into practice. His first attempts will be very awkward. There seems to be no way to make business transactions real to the pupil, except to set him up in business and let him make the transactions which he is to record.

NEW MATERIALS.

To do this there is need of other material, as follows:—

1. Money. The publishers of this book furnish the best that is made.

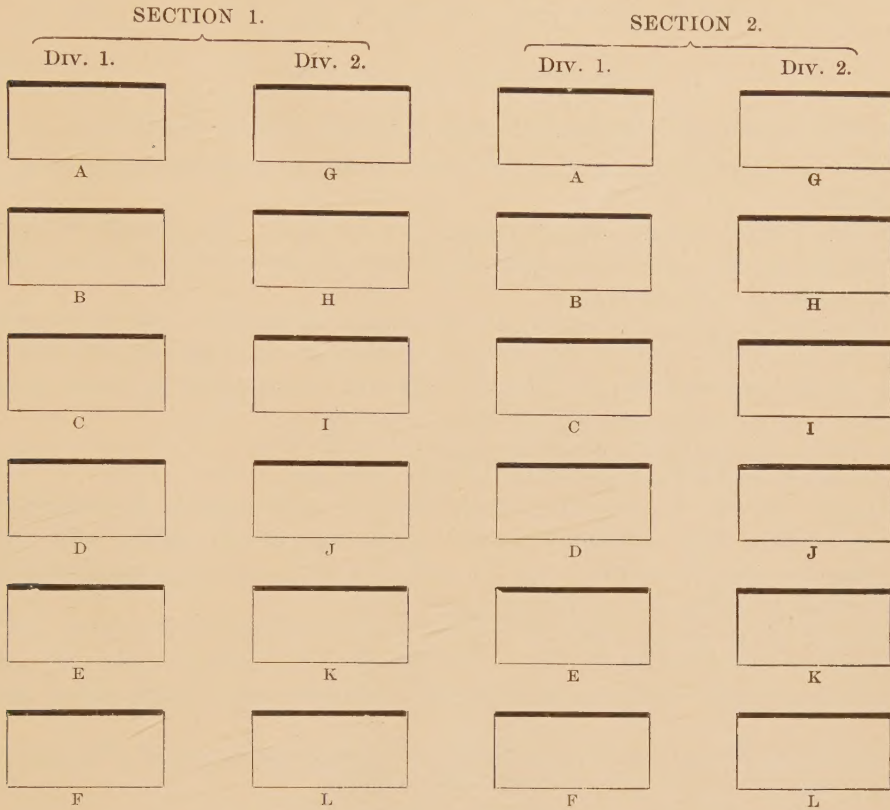
2. Merchandise. Cards, with the names of commodities written or printed upon them, are the most convenient articles for this purpose, though small packages properly labelled may be used.

Suitable cards, properly filled out, may be obtained of Ginn & Co.

Ten or twelve of these cards, all different, should be given to each pupil. He will then be ready to begin business.

HOW TO TRADE.

Arrange the pupils in one or more pairs of rows, as in the following plan:—



The rectangles represent desks, while the letters underneath represent the names of the pupils who sit at the desks. Each pupil has before him his book of original entry, his money, and his stock in trade. He has already taken an account of stock, and knows his net worth.

At the proper word of command, the divisions face each other; pupil A faces pupil G, pupil B faces pupil H, etc.

"Division 1 will sell to division 2 one article on account." A, B, C, etc., hold out their cards with the back up, to their opposites, G, H, I, etc., who each draw a card and lay it with the face up on their own desks, and in plain sight of the persons from whom they have bought. Every one then makes the entry necessary for recording the transaction in which he has taken part. As all the entries differ from one another, it is necessary for every one to do his own thinking.

The transaction having been made and recorded, it is necessary to bring the pupils into a new arrangement, in order that it may be easy for each to trade with another individual. This is accomplished in the following manner:—

"Change desks!"

All the pupils rise and take new positions, as follows: Those in division 1 each move forward one desk; those in division 2 each move back one desk. The front pupil in division 1 and the rear pupil in division 2 each change to the other division, G having the desk which A has had, while F passes across the aisle to the desk which L has had. A new order is given, and the work goes on as before. The various orders may be—

- "Division 1 to division 2, one article for cash."
- "Division 1 to division 2, two articles for cash."
- "Division 2 to division 1, one article on account."
- "Division 2 to division 1, one article on note at thirty days."
- "Both ways, two articles on account," etc.

ADDITIONAL DIRECTIONS.

The following cautions and additional directions should be carefully studied:—

1. Every day is counted as a month, and all transactions are recorded as occurring on the first day of the month.
2. No account is taken of days when no transactions are made. For example, if transactions are made on the 1st, 3d, and 9th days of December, 1890, they may be recorded as having been made on Jan. 1, Feb. 1, and March 1 of any year.
3. The price at which goods are sold should be changed frequently. The most convenient way to accomplish this is to draw lots for a percentage of discount at the beginning of each exercise. If the percentage range from one to ten, it will give a sufficient "margin" for gains and losses.
4. It follows that a card is rarely sold at its marked price.
5. Notes due on the fourth of a month are collected on the first.
6. Cash should be counted and proved or balanced every day.
7. The teacher needs for his own use a supply of money about equal to the amount given to the class. He may act as a bank, receive money on deposit, cash checks, collect notes, etc.; but few teachers find time for this. He should be always ready to assist in making change and to lend money.
8. Every pupil should pay rent to the teacher in cash.
9. If preferred, the pupil may make his original record in a memorandum book and write it up when he has returned to his desk at the close of the exercise. The author requires this of his pupils.
10. Pupils should make a statement of assets and liabilities and compute losses and gains frequently.
11. No pupil should be allowed to trade until he has completed the record of his last transactions.
12. Transactions should be confined to the class exercise.
13. Ten or twelve transactions are sufficient for an exercise.
14. Pupils should compare accounts or balances, and see that they agree, before trading.
15. Settlements should be made about once a year, or twelve business days.
16. If a pupil leaves school suddenly, the teacher settles his accounts for him.
17. There is little or no need of communication during the trading.

When one form has been thus studied and practised till it is perfectly familiar, another is studied and practised in the same way, and so on till all the forms described in the text-book have been mastered.

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BUSINESS BOOK-KEEPING.



INTRODUCTION.

DEFINITIONS AND ILLUSTRATIONS.

BUSINESS men conduct their transactions in three ways. Commodities are sold, and services are rendered (1) for immediate payment in cash, (2) for immediate payment by note, and (3) for subsequent payment in cash, note, or some other commodity or service. Transactions of the last sort are said to be **on account**.

Cash includes money in specie and bank notes. Most book-keepers also record checks and bank drafts as cash.

A **note** is a written promise to pay at some specified future time a definite sum of money.

An **invoice**, or **bill of goods**, is an itemized statement of articles sold, with the date of sale and the price.

Assets is the word used in book-keeping to indicate the entire property belonging to a business. Sometimes the word **resources** is used to denote the same thing.

Liabilities are debts, and include all which the business owes, both on account and on notes.

Net capital is the amount by which the assets exceed the liabilities.

Net insolvency is the amount by which the liabilities exceed the assets.

Book-keeping is the art of recording business transactions.

Its methods vary with the nature of the business and the tastes of the one who makes the records.

There are two general methods of book-keeping, known as single entry and double entry.

Single entry book-keeping exhibits assets and liabilities in part only.

Double entry book-keeping exhibits assets and liabilities in full, together with gains and losses, and the sources from which gains and losses have come.

The simplest possible form of book-keeping is that of memoranda.

For example, Mr. Henry Brown is a carpenter, and makes the following record of his transactions:—

Westport Mass. Jan. 1, 1890. Repaired front door for Henry Robinson and charged him one dollar and a half. Made a window screen for Charles Goodwin and charged him one dollar. Bought a pound of coffee and three pounds of butter of James Goodman. He charged me thirty-five cents for the coffee and seventy-five cents for the butter.
Jan. 2. Bought a fore-plane of John Grant on account for one dollar and a quarter.

This method of book-keeping, however, is not adapted to any extensive business, and business men use other forms that have been found more convenient and satisfactory.

Here is another form in which the same transactions might be recorded. This form is generally used in a book called the Day Book.

Westport, Mass., Jan. 1, 1890.

Henry Robinson	Dr.			
Repairing Front Door			1	50
Charles Goodwin	Dr.			
Making Window Screen			1	
James Goodman	Cr.			
1 lb Coffee		35		
3 lbs. Butter @ 25¢		75	1	10
John Grant	Cr.			
1 Fore-plane			1	25

In another form, employed in a book called a Ledger, the same transactions may appear in the following manner: —

Dr.	Henry Robinson.	Cr.
1890.		
Jan. 1	Labor	1 50
Dr.	Charles Goodwin.	Cr.
1890		
Jan. 1	Labor	1
Dr.	James Goodman	Cr.
	1890	
	Jan. 1	Wdse.
		1 10
Dr.	John Grant.	Cr.
	1890	
	Jan. 2	Wdse.
		1 25

Frequently the same transaction is recorded in more than one book. For instance, a person may enter all his transactions in a Day Book in the order in which they occur, and afterwards record them in a Ledger under various titles.

The particular form that one chooses for recording his business transactions is a matter of much importance. The record should be full, yet brief as possible; every transaction should be so recorded that its essential facts can be found easily; the form should be adapted to the business. The form that would be well adapted to a small business would be almost useless for a large business,—a method suitable for a lawyer or a doctor would not be adapted to a retail store or a manufacturing establishment.

In the following pages we shall exhibit forms adapted to a great variety of business transactions, and the student in putting his knowledge into practice should choose those forms which he finds best adapted to the business in which he engages.

QUESTIONS.

What are the three methods of making transactions? What is cash? What is a note? What is an invoice? By what other name are invoices known? Define assets, resources, liabilities, net capital, net insolvency, book-keeping. What is said of the forms of book-keeping? What two general methods of book-keeping? What is the distinction between them? Which is the more complete? What is the simplest form of book-keeping? What is the objection to its use? Describe the general appearance of the Day Book. How is it ruled? What is written on the first line? in the first column? second? third? fourth? fifth? sixth? seventh? Describe the general appearance of the Ledger. Show how the various transactions recorded in the memoranda appear in the Ledger. Is the same transaction ever recorded more than once? Give an example. What is said of the form in which one keeps the record of his business transactions? What three qualities should a good record possess? What form should the pupil use when he leaves school and engages in business?

CHAPTER I.

1. FORMS OF ACCOUNTS.

An **account** is a systematic record of business transactions, arranged under an appropriate title in such a manner as to show clearly the financial relation of the proprietor to some other person, or to some department of his business.

The **ledger** is a book of accounts, and exhibits results. It is the most important book which is used in records of business transactions. Its forms and elements, therefore, should be studied very carefully.

<i>Dr.</i>				<i>John James.</i>				<i>Cr.</i>			
<i>1890.</i>				<i>1890</i>							
<i>Jan.</i>	<i>1</i>	<i>To Mdse.</i>	<i>13</i>	<i>196</i>	<i>20</i>	<i>Jan.</i>	<i>10</i>	<i>By Cash</i>	<i>31</i>	<i>200</i>	
"	<i>3</i>	" "	<i>16</i>	<i>26</i>							
"	<i>5</i>	" "	<i>19</i>	<i>37</i>	<i>62</i>						
"	<i>10</i>	" "	<i>21</i>	<i>39</i>	<i>60</i>						

The name at the top is called the **title**. The left side of the account is called the **debit side**, the right side is called the **credit side**. The first horizontal line is called the **title line**. The first two columns are called the **date columns**. The next is called the **item column**. The columns in which dollars and cents are written are called **money columns**. These are the essential parts of an account, and this is the usual arrangement.

Sometimes the following form is used:—

<i>Paul Henderson</i>				<i>Dr.</i>	<i>Cr.</i>
<i>1890.</i>					
<i>Jan.</i>	<i>8</i>	<i>To 3½ lbs. Corned Beef @ 10¢</i>		<i>35</i>	
"		<i>" ½ bush. Corn</i>		<i>40</i>	
"		<i>" 10 lbs. Pork @ 7¢</i>		<i>70</i>	
"	<i>11</i>	<i>" Cash</i>		<i>5 00</i>	
		<i>By 1 week's Labor</i>			<i>6 00</i>
	<i>13</i>	<i>To 1 bush. Potatoes</i>		<i>70</i>	
	<i>15</i>	<i>" ½ bush. Pea Beans</i>		<i>1 30</i>	
	<i>18</i>	<i>By 1 week's Labor</i>			<i>6 00</i>

You will notice that in this form there is but one item column, while the debit money column and the credit money column stand side by side. This form of account is one which is well adapted to the use of farmers, mechanics, and professional men that have few business transactions, and wish to record them in the simplest manner possible.

2. DEBIT AND CREDIT.

In every business transaction there is a debtor and there is a creditor. The pupil should learn to distinguish between them instantly. The **debtor** is the receiver, the **creditor** is the person or thing from which something is received. For example, if I pay you money, you are the debtor and I am the creditor. If I labor for you, you are the debtor because you have received, and I am the creditor because I have given.

This distinction of debtor and creditor is carried to property of various kinds, and is used even in accounts which do not represent property, but losses and gains connected with the business. For example, every business man keeps an account with cash. When cash receives an addition, it is debtor; when it gives out a part of itself, it is creditor.

Business men generally keep an account with their merchandise. The same principles hold true here. Merchandise is debtor for what it receives, and is creditor for all that is taken from it and sold or otherwise disposed of.

A person may keep an account with one part of his merchandise. For instance, if a man is a dealer in grain, he may keep separate accounts with wheat, oats, and barley, and thus ascertain the relation which each one of these articles of trade bears to his business.

Applying here the general principle of debtor and creditor, wheat, oats, and barley will be debtor for all additions, and creditor for all that is taken from them. In other words, merchandise is debtor when any merchandise is bought, and creditor when any merchandise is sold.

One may keep an account with a field, a mine, a manufactory, or any other source of income, debiting it with all it costs him, and crediting it with what he receives from it.

3. WHAT AN ACCOUNT SHOWS.

In the following account which Henry Farnsworth, a blacksmith, has with Charles Norman, a carpenter, let us see what is shown concerning the financial relation of the proprietor, Mr. Farnsworth, to his neighbor, Mr. Norman:—

<i>Charles Norman</i>		<i>Dr</i>	<i>Cr</i>
<i>1890.</i>			
<i>Jan. 1</i>	<i>By repairing Front Door</i>		<i>1 25</i>
<i>4</i>	<i>To shoeing Horse</i>	<i>1 35</i>	
<i>7</i>	<i>" mending Sled</i>	<i>60</i>	
<i>8</i>	<i>By Block for Anvil</i>		<i>25</i>
<i>13</i>	<i>To repairing Sleigh</i>	<i>1 00</i>	
<i>18</i>	<i>By Horse to go to Eastham</i>		<i>1 50</i>

What Mr. Norman has received is on the debit side of the account bearing his name. What he has paid out is on the credit side of the account. In other words, Norman owes Farnsworth what is told in the debit side of the account, and what Farnsworth owes Norman is shown in the credit side of the account. The difference between the two sides shows the financial relation of the two men. If Norman's debit is larger than his credit, Norman owes Farnsworth the difference between the two

sides. If Norman's credit is larger than his debit, Farnsworth owes him the difference between the two sides.

In Norman's book the same transactions are shown in an account whose title is Henry Farnsworth, as follows:—

		Henry Farnsworth	Dr.	Cr.
1890				
Jan.	1	To repairing Front Door	1 25	
	4	By shoeing Horse		1 35
	7	" mending Sled		60
	8	To Block for Anvil	25	
	13	By repairing Sleigh		1 00
	18	To Horse to go to Eastham	1 50	

The pupil will notice that everything is reversed; that what was debit in Farnsworth's book is credit in Norman's book, and what was debit in Norman's book is credit in Farnsworth's book. Yet the same result is exhibited by both accounts; namely, that Farnsworth owes Norman five cents.

A similar investigation with regard to a cash account will be useful:—

		Cash	Dr.	Cr.
1890				
April	1	Amount on hand	36 25	
		Received for John Smith's Note	90	
		Paid Henry C. McFarland on %		35
		" Charles Osborne for Labor		16 25
		" Paul C. Newhall for Groceries		17 36
		Received of Daniel McSpencer on %	16 21	

All cash that has been received by the proprietor, including the amount on hand at the beginning of business, is entered on the debit side. All cash that has been paid out is entered on the credit side. *The difference between the sums of the two sides shows the amount on hand.*

4. CLOSING AN ACCOUNT.

To ascertain the exact financial relation of the proprietor to a person or thing named in the title of the account, the book-keeper should "close the account." By **closing an account** is meant the process of making it show at a glance the relation between the proprietor and the person or thing named in the account.

The method of closing an account is as follows: The debit money columns and the credit money columns are added separately, and the difference is found between the sums. This difference is then written in the money columns of the smaller side of the account in red ink, and the word "Balance" is written in red in the item column. When this has been done, both columns are added, and their amounts placed beneath them. The footings should be alike, and should always be placed on the

same horizontal line. A single red line is then drawn above the footings, and a double red line is drawn below the footings and across the date columns. All ruling is done with red ink. *Double red lines indicate that everything above them is balanced.*

The difference between the two sides is then placed below the double red lines in the money columns of the larger side in black ink, while the word "Balance" is written in the item column.

It will be noticed that the balance brought down in black ink is always the same as that written above the double red lines in red ink, and is always carried to the opposite side of the account.

The balance brought down shows the financial relation between the person or thing named in the title of the account and the proprietor.

When the cash account on page 7 has been closed, it will present the following appearance:—

Cash			Dr.	Cr.
1890				
Apr.	1	Amount on hand	36 25	
		Received for John Smith's Note.	70	
		Paid Henry P. McFarland on %		35
		" Charles Osborne for Labor		16 25
		" Paul P. Newhall for Groceries		17 36
		Received of Daniel M. Spencer on %	16 21	
			142 46	142 46
Apr.	2	Balance	73 85	

QUESTIONS.

What is an account? What is a Ledger, and what is said of its importance? What is meant by the title of an account? What is the left side called? What is the right side called? What is the first horizontal line called? What are the first two columns on each side called? What is the third column called? What are the last two columns called? What three principal points of difference are there between the first form of accounts and the second form? To whose business is the second form of accounts adapted? What two parties to every business transaction? Who is the debtor? Who is the creditor? To what else beside persons are the terms "debtor" and "creditor" applied? When is cash debtor? when creditor? When is merchandise debtor? when creditor? What is true when one keeps an account with one branch of his business? What is the account entitled Charles Norman designed to show? How does it show Mr. Norman's financial relation to Mr. Farnsworth? Where will Norman's receipts appear? What will appear in the credit side of the account bearing his name? If Mr. Norman owes Mr. Farnsworth, which side of the account bearing Norman's name must be the larger? What do you understand by the expression "financial relation"? What contrast do you see between the record in Mr. Farnsworth's Ledger and that in Mr. Norman's Ledger? Do the two accounts show the same or different results? What is the financial relation between the two men as shown by these accounts? What is the rule for writing cash entries? How do you find from the account the amount of cash which should be on hand? If this amount differs from the amount of money actually on hand, what does it show? What is the purpose of closing an account? Give in full the method of closing an account. What entry shows the financial relation to the proprietor of the person or thing named in the account?

CHAPTER II.

FORM I.

EXERCISE 1.

Mr. Henry Johnson is a farmer, and the following are his business transactions for the month of May, 1889:—

May 1. Cash on hand, \$39.40. Bought of Hall & Whitney on account, one plough, \$13; one patent harrow, \$17. Sold Pratt Bros. on account, two barrels russet apples at \$3.75, four bushels potatoes at 75¢. Bought of Pratt Bros. on account, two bags meal at 95¢. Ploughed and planted potato field; labor, \$7.50; three bushels potatoes, \$2.50.

May 2. Finished ploughing corn field No. 1; labor, \$7.50. Sold Charles Strout on account, three lambs at \$3.25.

May 3. Paul Pry paid his note with interest, \$142.26. Bought of Jones & Hadley for cash five yards sheeting at 18¢, three pairs overalls at 50¢.

May 4. Ploughed barley field; labor, \$2.50. Bought of Pratt Bros. on account, one gallon molasses, 42¢; ten pounds sugar, 95¢; six pounds codfish at 7¢.

May 6. Harrowed corn field No. 1; labor, \$1. Finished ploughing corn field No. 2; labor, \$5. Sold Charles Strout on account two veal calves at \$6. Lent James Goss fifteen dollars.

May 7. Harrowed and sowed barley field; two bushels barley at 90¢; labor, \$3.50. Sold Paul Pry on account a roan colt, \$85.

May 8. Sold Pratt Bros. on account, five dozen eggs at 16¢, twenty pounds butter at 22¢, forty pounds cheese at 10¢.

May 9. Finished planting corn field No. 1; one-half bushel corn, 60¢; labor, \$4.

May 10. Sold Charles Strout on account, 53 lbs. poultry at 18¢. Bought of James Goss one pair steers on account, \$60.

May 11. Bought of Jones & Hadley on account, three quilts at \$1.75; one dozen handkerchiefs, \$2. Paid Henry Ham for two weeks' labor, \$12.

May 13. Harrowed corn field No. 2; labor, \$1.

May 14. Planted corn field No. 2; corn, 60¢; labor, \$3. Bought of Pratt Bros. on account, one barrel flour, \$7.50.

May 15. Charles Strout paid \$10 on account. Ploughed field for Paul Pry on account, \$3.50.

May 16. Bought of Hall & Whitney on account, three hoes at 60¢; one spade, 75¢; one garden rake, 50¢.

May 17. Finished ploughing oat field; labor, \$5. Sold James Goss on account, one Jersey cow, \$65.

May 18. Bought of Jones & Hadley on account, five yards dress goods at \$1.25; dress trimmings, \$3.50. Paid them cash in full of account.

May 20. Harrowed and sowed oat field; oats, 80¢; labor, \$4.50.

May 21. Sold Pratt Bros. on account, one tub butter, 31 lbs., at 21¢; three doz. eggs at 19¢. Bought of them, one-half bushel salt, 20¢; ten lbs. table salt, 15¢.

May 22. Sold Charles Strout on account, one cow, \$37; three lambs at \$3.25.

May 23. Bought two cows of Paul Pry on account, at \$35. Sold him on account, one pair oxen, \$181.

May 24. Paid Hall & Whitney \$20 on account. Bought of them on account, three scythes at \$1; three rakes at 40¢; three lbs. nails at 6¢; one hammer, 75¢.

May 25. Paid Henry Ham for labor cash, \$12.

May 27. Sold Pratt Bros. on account, three barrels apples at \$3.50, three bushels potatoes at 70¢. Bought of them one pound saleratus, 8¢; ten pounds graham meal at 5¢.

May 28. Bought of Charles Strout on account, three pounds rump steak at 21¢. Sold him on account, twenty-five pounds poultry at 16¢. Bought of Jones & Hadley on account, 6 dozen napkins at \$2.50 per dozen. Paid them \$5 on account.

May 31. Paid subscription to the Agriculturist, \$2.50.

These transactions, when written out, appear as in the following pages. The pupil should carefully study the forms and see why every record is made as it is. He may then proceed to copy the record upon blank paper till he can do so with accuracy and neatness. He should also practice ruling both single and double lines. Finally, with the memoranda before him, using the copies as a guide only when he is in doubt as to the correct form, he will transcribe the record to his blank named Ledger A.

One of the most important parts of the Ledger is its index. Book-keepers generally keep a special book for this purpose. *The title of every account should be written in its appropriate place in the index, with the number of the page of the Ledger on which it is to appear, before the title is written in the Ledger.* This is a rule of great importance, and the pupil never should allow himself to break it. Writing the title of an account is called opening the account. Sometimes several accounts are opened on the same page. When this is done, every account should be made to look like the one at the top of the page. This may be done by drawing a double red line midway between two blue lines, and writing the title of the additional account on the first blue line above the double red. The "Dr." and "Cr." at the head of these and all other accounts may be omitted.

The record should follow the order of the memoranda.

QUESTIONS.

Why should the pupil copy the printed forms? Why should he practise ruling on loose paper? What use should be made of the forms while the pupil is writing his Ledger? What is said of the index? When should an account be indexed? When several accounts are to be put on the same page, how is the page divided? In what order should transactions be recorded? What two rules are put in italics because pupils are likely to forget them?

		CASH.	Dr.		Cr.	
1889						
May	1	Amount on hand	39	40		
	3	Paul Pry's Note and Interest	142	26		
		5 yds. Sheeting @ 18¢				90
		3 prs. Overalls @ 50¢			1	50
	4	Balance			179	26
			181	66	181	66
	6	Balance from last week	179	26		
		James Goss, on $\frac{1}{c}$			15	00
	11	Henry Ham, for Labor			12	00
	11	Balance			152	26
			179	26	179	26
	13	Balance from last week	152	26		
	15	Charles Strout, on $\frac{1}{c}$	10	00		
	18	Jones & Hadley, To bal. $\frac{1}{c}$			17	00
	18	Balance			145	26
			162	26	162	26
	20	Balance from last week	145	26		
	24	Hall & Whitney, on $\frac{1}{c}$			20	00
	25	Henry Ham, for Labor			12	00
	25	Balance			113	26
			145	26	145	26
	27	Balance from last week	113	26		
	28	Jones & Hadley, on $\frac{1}{c}$			5	00
	31	Subscription to Agriculturist			2	50
	31	Balance			105	76
			113	26	113	26
June	1	Balance	105	76		

		HALL & WHITNEY.	Dr.		Cr.	
1889						
May	1	1 Plough			13	00
		1 Patent Harrow			17	00
	16	3 Hoes @ 60¢			1	80
		1 Spade				75
		1 Garden Rake				50
	24	Cash	20	00		
		3 Scythes @ \$1.00			3	00
		3 Rakes @ 40¢			1	20
		3 lbs. Nails @ 6¢				18
		1 Hammer				75
	31	Balance	18	18		
			38	18	38	18
June	1	Balance			18	18

PRATT BROS.

Dr.

Cr.

1889

May	1	2 bbls. Russet Apples @ \$3.75	7	50		
		4 bu. Potatoes @ 75¢	3	00		
		2 bags Meal @ 95¢			1	90
	4	1 gal. Molasses				42
		10 lbs. Sugar @ 9½¢				95
		6 lbs. Codfish @ 7¢				42
	8	5 doz. Eggs @ 16¢		80		
		20 lbs. Butter @ 22¢	4	40		
		40 lbs. Cheese @ 10¢	4	00		
	14	1 bbl. Flour			7	50
	21	1 tub Butter, 31 lbs. @ 21¢	6	51		
		3 doz. Eggs @ 19¢		57		
		½ bu. Salt				20
		10 lbs. Table Salt				15
	27	3 bbls. Apples @ \$3.50	10	50		
		3 bu. Potatoes @ 70¢	2	10		
		1 lb. Saleratus				08
		10 lbs. Graham Meal @ 5¢				50
		Balance			27	26
			39	38	39	38
June	1	Balance	27	26		

• POTATO FIELD.

Dr.

Cr.

1889

May	1	Labor, ploughing and planting	7	50		
		3 bu. Potatoes @ 83½¢	2	50		
	31	Balance			10	00
			10	00	10	00
June	1	Balance	10	00		

CORN FIELD NO. 1.

Dr.

Cr.

1889

May	2	Labor, ploughing	7	50		
	6	" harrowing	1	00		
	9	" planting	4	00		
		½ bu. Corn		60		
		Balance			13	10
			13	10	13	10
June	1	Balance	13	10		

CHARLES STROUT.

Dr.

Cr.

1889

May

2 3 Lambs @ \$3.25
 6 2 Veal Calves @ \$6
 10 53 lbs. Poultry @ 18¢
 15 Cash
 22 1 Cow
 3 Lambs @ \$3.25
 28 3 lbs. Rump Steak @ 21¢
 25 lbs. Poultry @ 16¢
 31 Balance

9 75
 12 00
 9 54
 37 00
 9 75
 4 00

10 00

63

82 04

82 04

June

1

Balance

71 41

BARLEY FIELD.

Dr.

Cr.

1889

May

4 Labor, ploughing
 7 " harrowing and sowing.
 2 bu. Barley @ 90¢
 31 Balance

2 50
 3 50
 1 80

7 80

7 80

June

1

Balance

7 80

CORN FIELD NO. 2.

Dr.

Cr.

1889

May

6 Labor, ploughing
 13 " harrowing
 14 " planting
 Corn
 31 Balance

5 00
 1 00
 3 00
 60

9 60

9 60

June

1

Balance

9 60

JAMES GOSS.

Dr.

Cr.

1889

May

6 Cash
 10 1 pr. Steers
 17 1 Jersey Cow
 31 Balance

15 00
 65 00

80 00

60 00

80 00

June

1

Balance

20 00

PAUL PRY.

Dr.

Cr.

1889					
May	7	1 Roan Colt	85	00	
	15	Labor, ploughing	3	50	
	23	2 Cows @ \$35			70 00
		1 pr. Oxen	181	00	
	31	Balance			199 50
			269	50	269 50
June	1	Balance	199	50	

JONES & HADLEY.

Dr.

Cr.

1889					
May	11	3 Quilts @ \$1.75			5 25
		1 doz. Handkerchiefs			2 00
	18	5 yds. Dress Goods @ \$1.25			6 25
		Dress Trimmings			3 50
		Cash	17	00	
			17	00	17 00
May	28	6 doz. Napkins @ \$2.50			15 00
		Cash	5	00	

OAT FIELD.

Dr.

Cr.

1889					
May	17	Labor, ploughing	5	00	
	20	" harrowing	4	50	
		Oats		80	
	31	Balance			10 30
			10	30	10 30
June	1	Balance	10	30	

The following exercises also should be written in "Ledger A," in accordance with the method shown in Exercise 1. The pupil should take great pains in making his record, striving to secure brevity, clearness, and accuracy. When he is in doubt as to the best form in which to make his entry, he should consult the memoranda of Exercise 1 to find a similar transaction. The method in which this is recorded will suggest the proper form.

Exercises 3 and 4 are designed to give practice in closing accounts. The teacher should add others of a similar character until the pupil is familiar with the principles and processes involved.

EXERCISE 2.

Record of the Business Transactions of William G. Richardson.

May 1, 1890. Cash on hand, \$110.46. Bought of Hall & Bill on $\frac{1}{2}\%$ 30 lbs. sugar @ 8¢, 3 lbs. starch @ 6¢.

May 2. Finished ploughing potato field No. 1; labor, \$2.50. Sold Henry C. Waterman for cash 3 veal calves @ \$4.50.

May 3. Paid Peter N. Fernald for labor, \$7.50. Loaned Robert P. Harmon \$35. Sold Hall & Bill on $\frac{1}{2}\%$ 2 bbls. No. 2 Baldwin apples @ \$3.75; 2 bush. screened pea beans @ \$1.65.

May 5. Tristram Flagg paid his note with interest, \$39.62. Bought of Henry C. Waterman for cash 10 lbs. beef roast @ 18¢.

May 6. Finished ploughing potato field No. 2; labor, \$7. Planted potato field No. 1; seed potatoes, 35¢; labor, \$3.50.

May 7. Sold Robert P. Harmon on $\frac{1}{2}\%$ 1 bush. medium beans, \$1.50. Sold Henry C. Waterman for cash 37 lbs. poultry @ 15¢.

May 8. Bought of Herbert G. Hinckley on $\frac{1}{2}\%$ 3 yds. denim @ 9¢, 3 prs. stockings @ 25¢, 10 lbs. cotton batting @ 4¢.

May 9. Bought of Caleb T. Hayes on $\frac{1}{2}\%$ 3000 shingles @ \$1.75 per thousand.

May 10. Paid Peter M. Fernald cash for labor, \$7.50. Finished planting potato field No. 2; seed, \$1.25; labor, \$7.

May 12. Bought of Robert P. Harmon on $\frac{1}{2}\%$ 1 pair oxen, \$125. Bought of Caleb T. Hayes on $\frac{1}{2}\%$ 3260 ft. pine boards @ \$18 per thousand.

May 13. Ploughed field for Tristram Flagg; charged him \$3.75. Bought of Ephraim Hubbard for cash 3 hoes @ 60¢; 1 harrow, \$13.

May 14. Ploughed corn field; labor, \$7. Paid Herbert G. Hinckley cash in full of $\frac{1}{2}\%$. Sold Hall & Bill on $\frac{1}{2}\%$ 1 tub butter, 31 lbs., @ 21¢.

May 15. Sold Henry C. Waterman for cash 39 lbs. poultry @ 17¢.

May 16. Ploughed and sowed oat field; seed, 70¢; labor, \$6.

May 17. Finished planting corn field; seed, \$1.25; labor, \$9. Paid Peter N. Fernald for labor, \$7.50.

May 19. Ploughed barley field; labor, \$3.50. Bought of Tristram Flagg on $\frac{1}{2}\%$ 1 two-year old colt, \$45.

May 20. Bought of Ephraim Hubbard on $\frac{1}{2}\%$ 10 lbs. nails @ 5¢; 1 gross screws, 35¢; 1 axe, 90¢.

May 21. Finished sowing barley field; seed, \$1.40; labor, \$6.50.

May 22. Sold Caleb T. Hayes on $\frac{1}{2}\%$ 10,000 ft. logs @ \$7 per thousand. Sold Hall & Bill on $\frac{1}{2}\%$ 10 bush. potatoes @ 73¢.

May 23. Bought of Ephraim Hubbard on $\frac{1}{2}\%$ 3 scythes @ 70¢; 3 rakes @ 30¢; 1 whetstone, 10¢.

May 24. Paid Peter N. Fernald cash for labor, \$7.50.

May 26. Sold Hall & Bill on $\frac{1}{2}\%$ 5 doz. eggs @ 20¢, 70 lbs. cheese @ 10¢. Bought of them on $\frac{1}{2}\%$ 2 gals. molasses @ 55¢.

May 27. Sold Tristram Flagg on $\frac{1}{2}\%$ 2 yearling heifers @ \$17. Sold Henry C. Waterman for cash 3 veal calves @ \$3.50.

May 28. Hoed potato field No. 1; labor, \$4. Bought of Caleb T. Hayes on $\frac{1}{2}\%$ 2000 ft. pine sheathing @ \$23.

May 29. Bought of Herbert G. Hinckley on $\frac{1}{2}\%$ 9 yds. print @ 7¢, 16 yds. sheeting @ 11¢, 3 table-cloths @ \$1.37.

May 30. Sold Hall & Bill on $\frac{1}{2}\%$ 3 dozen eggs @ 20¢, 3 bbls. russet apples @ \$4, 1 tub butter, 42 lbs. @ 21¢.

May 31. Hoed potato field No. 2; labor, \$4.50. Paid Peter N. Fernald cash for labor, \$7.50.

EXERCISE 3.

Mr. Charles Spinney is a village blacksmith in Hamlet, Me. The following are some of his business transactions for the month of January, 1889: —

Jan. 1. Cash on hand, \$37.50. Bought stock for cash, \$12.46. Mended sled for John H. Robbins; charged him 75¢. Shod horse for Joseph P. Royce for cash, \$1.50.

Jan. 2. Bought of William J. Lombard on $\frac{1}{c}$ 1 hammer, \$1.25; 10 lbs. nails @ 8¢; 3 gross screws @ 35¢.

Jan. 3. Finished ironing sleigh for Daniel M. Spencer; charged him \$7.60 for labor and stock. Bought of Calvin McClellan on $\frac{1}{c}$ 1 cord hard wood, \$4.50.

Jan. 4. Bought of Charles Newhall on $\frac{1}{c}$ 10 yds. sheeting @ 9¢, 5 lbs. sugar @ 10¢, 3 gals. molasses @ 60¢.

Jan. 5. Shod two yoke oxen for Fred H. Pierce; charged him \$3. Bought of Charles Newhall on $\frac{1}{c}$ 1 bbl. flour, \$7. Daniel M. Spencer paid cash on $\frac{1}{c}$, \$5. Paid William J. Lombard cash in full of account.

EXERCISE 4.

Mr. Daniel M. Spencer is a village shoemaker and cobbler in Hamlet, Me. The following are some of his business transactions for the month of September, 1890: —

Sept. 1. Cash on hand, \$91.20. Mended shoes for Charles Spinney; charged him 62¢. Repaired skate strap for Joseph P. Royce, per Charley Royce; charged 15¢.

Sept. 2. Bought tools of W. J. Lombard for cash, \$3.45. Bought of Charles Newhall on $\frac{1}{c}$ 3 lbs. salt pork @ 9¢, 10 lbs. sugar @ 8¢, 10 yds. denim @ 11¢.

Sept. 3. Repaired boots for Fred H. Pierce; charged him 90¢. Made slippers for Calvin McClellan; charged him \$1. Bought of William J. Lombard on $\frac{1}{c}$ 1 axe, \$1.

Sept. 4. Paid life insurance premium in cash, \$22.36. Finished pair of boots for Abram H. Kelly; he paid for them in cash, \$7.

Sept. 5. Bought of Charles Newhall on $\frac{1}{c}$ 1 bush. potatoes, 75¢; 2 spools thread @ 4¢; 1 stick braid, 8¢.

Sept. 6. Bought stock for cash, \$7. Finished slippers for Joseph P. Royce; charged him \$1.50. Sold John H. Robbins for cash 1 pair misfit boots, \$5.50.

The following balances should be obtained: —

EXERCISE 2.

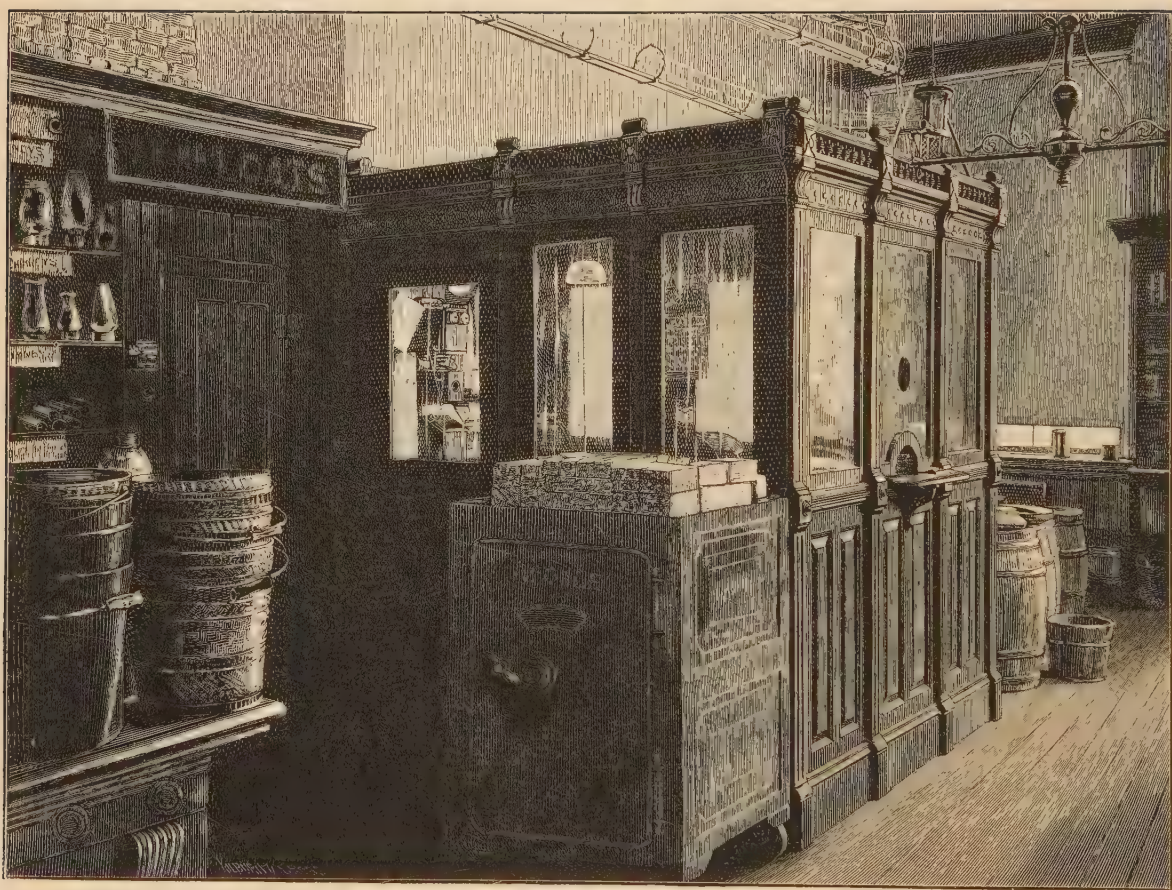
	Dr.	Cr.
Cash	95 74	
Hall & Bill	50 35	
Potato Field No. 1	10 35	
Robert Harmon		88 50
Potato Field No. 2	19 75	
Herbert G. Hinckley		6 50
Caleb T. Hayes		39 93
Tristram Flagg		7 25
Corn Field	17 25	
Oat Field	6 70	
Barley Field	11 40	
Ephraim Hubbard		4 85

EXERCISE 3.

	<i>Dr.</i>	<i>Cr.</i>
<i>Cash</i>	28 44	
<i>John H. Robbins</i>	75	
<i>William J. Lombard</i>		
<i>Daniel M. Spencer</i>	2 60	
<i>Calvin McClellan</i>		4 50
<i>Charles Newhall</i>		10 20
<i>Fred H. Pierce</i>	3 00	

EXERCISE 4.

	<i>Dr.</i>	<i>Cr.</i>
<i>William J. Lombard</i>		1
<i>Cash</i>	70 89	
<i>Charles Spinney</i>	62	
<i>Joseph P. Royce</i>	1 65	
<i>Charles Newhall</i>		3 08
<i>Fred H. Pierce</i>	90	
<i>Calvin McClellan</i>	1 00	



THE BOOK-KEEPER'S HEADQUARTERS.

The pupil will notice the safe for money and valuable papers; the cash railway, which brings the money from the salesmen to the cashier; and the little room which gives to book-keeper and cashier the retirement which the nature of their business requires. The round opening through the glass panel gives an opportunity for conversation, and the arched opening beneath the panel allows the free passing of papers, money, etc.

CHAPTER III.

FORM II.

The form of book-keeping which you have studied and practised might be used for any kind of business, but it would often be inconvenient.

We shall now give a form that is adapted to a larger business. In this form three books will be used,—a Day Book, or Journal, a Cash Book, and a Ledger.

The **Day Book** is used as a book of original entry for all transactions except those involving cash. The **Cash Book** is used as a book of original entry for all cash transactions. The **Ledger**, as in the first form, is the book of accounts. Its records are taken from the Day Book and the Cash Book.

The Day Book is ruled like the Ledger of the first form of accounts. The first horizontal line contains the date of the first transaction recorded on the page; other dates appear in the first column. The second column is used to indicate the page of the Ledger to which the record is transferred. The third column is the item column. The first set of money columns is used to enter the cost of the several articles bought or sold when there are more than one. The second set of money columns is used for the total cost of the articles bought or sold at one time. The form of the Day Book will be better understood by examining page 22.

The Cash Book is ruled like the Day Book. In it should be entered on the debit side all cash on hand and all cash received. On the credit side should be entered all cash paid out. The first set of money columns on each side should be used for cash on account; the second set, for other cash transactions. As in the Day Book the first column contains the date; and the second contains the page of the Ledger to which the corresponding record is posted. The form of the Cash Book is seen on pages 28 and 29.

In actual business, all records in the Cash Book and Day Book, when these are used as books of original entry, should be made immediately after each transaction and before another transaction is made, and the Cash Book should be closed or proved every night.

Records of transactions “on account” are transferred from the Day Book and Cash Book to the Ledger. The process of transferring them is called posting. The method by which an entry of the Day Book or Cash Book is transferred to the Ledger will be better understood by tracing the history of the various records of the Day Book on pages 22 and 23, and the Cash Book on pages 28 and 29. They appear in the Ledger on pages 32 and 33. *As soon as a transaction has been transferred from the Day Book or Cash Book to the Ledger, but never before, the page of the Ledger to which it has been transferred should be written in the second column of the Day Book or Cash Book, as an evidence that the entry has been posted.*

QUESTIONS.

What books are used in Form II.? What transactions are recorded in the Day Book? What are recorded in the Cash Book? Are any transactions recorded in both books? How is the Day Book ruled? How is the Cash Book ruled? Prices are said to be “short extended” in the first set of money columns in the Day Book and “full extended” in the second set of money columns. Explain these terms. In the Cash Book, what is the first set of money columns used for? What is the second set used for? In actual business, when should the records in the books of original entry be made? What do you understand by books of original entry? How often should the Cash Book be closed? What is posting? Show how the first entry of the Day Book appears in the Ledger. What is the first item of the Cash Book that should be posted? What rule is given in italics? Why is it especially important? What rule do you discover as to the use of capital letters in the item column?

DIRECTIONS.

The following exercise should be written in the proper blanks in accordance with the directions and forms given in the text-book. The forms should not be copied, but are designed only to furnish aid where the pupil is in doubt.

The transactions should be recorded in the Day Book and Cash Book in the order of their occurrence.

Post at the close of each week.

Balance and close an account whenever it is paid in full.

Make all footings and balances with a pencil, and rewrite them with ink when you are sure they are right.

Always add your columns twice, once up and once down, thus proving your work.

Adding is the most difficult part of book-keeping; be careful, therefore, to form habits of accuracy.

Read often the directions and cautions in the Introduction to this book.

EXERCISE 5.

Following are some of the business transactions of John S. Paul & Co., dealers in groceries and provisions, Newton, Mass.:—

March 3, 1890. Cash on hand, \$190.87. Sold Henry Allen on $\frac{1}{c}$ 12 oranges, 25¢; 3 lbs. apricots @ 20¢; 1 cake stove blacking, 8¢. Sold Geo. H. Ames on $\frac{1}{c}$ 1 box salt, 10¢; 5 lbs. sugar @ 7½¢; 1 bag flour, 85¢. Bought of Hayes & Hill on $\frac{1}{c}$ mdse. per invoice, \$90.62. Sold Chas. C. Bennett on $\frac{1}{c}$ 7½ lbs. ham @ 14¢; 1 lb. evaporated apple, 15¢. Bought of Rice, Richardson & Co. for cash mdse. per invoice, \$39.46. Cash sales, \$36.42.

March 4. Sold William Butler on $\frac{1}{c}$ ¼ lb. cream of tartar, 15¢; 1 lb. coffee, 35¢. Sold Frank H. Carter on $\frac{1}{c}$ 1 doz. eggs, 23¢. Paid Hayes & Hill cash on $\frac{1}{c}$, \$50. Bought of Merrill & Merrill on $\frac{1}{c}$ mdse. per invoice, \$37.81. Sold Wm. H. Cogswell on $\frac{1}{c}$ 2 lbs. graham crackers @ 20¢; 1 yeast cake, 2¢. Cash sales, \$31.42.

March 5. Sold Nicholas L. Currier on $\frac{1}{c}$ 1 qt. beans, 10¢; 1 lb. pearline, 12¢; 1 bottle horse radish, 10¢. Paid Merrill & Merrill cash on $\frac{1}{c}$, \$25. Bought of Rice, Richardson & Co. on $\frac{1}{c}$ groceries per invoice, \$139.42. Cash sales, \$62.39.

March 6. Sold Wm. H. Cogswell on $\frac{1}{c}$ 5 lbs. sugar @ 8¢; 1 jar jam, 25¢. Sold Geo. H. Ames on $\frac{1}{c}$ 1 doz. eggs, 23¢; 1 lb. graham crackers, 20¢; 6 lemons, 10¢. Sold Wm. H. Cogswell on $\frac{1}{c}$ ½ lb. dried beef, 15¢; 1¼ lbs. beef steak @ 28¢. Cash sales, \$30.36.

March 7. Sold Frank H. Carter on $\frac{1}{c}$ 6 oranges, 20¢; 1 lb. apricots, 20¢; 1 doz. eggs, 23¢. Bought of Merrill & Merrill on $\frac{1}{c}$ provisions per invoice, \$36.20. Paid them cash on $\frac{1}{c}$, \$35. Cash sales, \$21.46.

March 8. Sold Henry Allen on $\frac{1}{c}$ 1 lb. graham crackers, 20¢; 1 lb. oatmeal, 12¢. Geo. H. Ames paid cash in full of $\frac{1}{c}$. Sold Samuel M. Dickey on $\frac{1}{c}$ 1 lb. soda, 10¢; ½ lb. chocolate, 20¢; and he paid cash in full of $\frac{1}{c}$. Sold Frank H. Carter on $\frac{1}{c}$ 1 bottle rose flavor, 25¢; 5 lbs. corn meal @ 3¢. William Butler paid cash in full of $\frac{1}{c}$. Wm. H. Cogswell paid cash in full of $\frac{1}{c}$. Cash sales, \$65.42.

March 10. Sold Frank H. Carter on $\frac{1}{c}$ 1 lb. prunes, 12¢; ½ lb. dried beef, 15¢. Sold William Butler on $\frac{1}{c}$ ¼ lb. cream of tartar, 15¢; 15 crackers, 8¢. Bought of Hayes & Hill on $\frac{1}{c}$ groceries per invoice, \$37.62. Cash sales, \$21.46.

March 11. Sold Chas. C. Bennett on $\frac{1}{c}$ 1 gal. molasses, 65¢; 1 doz. eggs, 23¢; 1 yeast cake, 2¢. Paid Hayes & Hill cash on $\frac{1}{c}$, \$40. Sold Henry Allen on $\frac{1}{c}$ 1 peck potatoes, 30¢; 5 lbs. sugar @ 7½¢. Cash sales, \$27.42.

March 12. Sold Samuel M. Dickey on $\frac{1}{c}$ 1 can corn, 15¢; ½ doz. beets, 8¢; 1 lb. pearline, 12¢; 1 lb. apricots, 20¢. Sold Nicholas L. Currier on $\frac{1}{c}$ 2 lbs. sugar @ 8¢. Bought of Rice, Richardson & Co. on $\frac{1}{c}$ groceries per invoice, \$26.25. Paid them cash on $\frac{1}{c}$, \$25. Sold Wm. H. Cogswell on $\frac{1}{c}$ 2 qts. beans @ 10¢, 2 lbs. corned beef @ 12¢. Cash sales, \$40.17.

March 13. Sold Henry Allen on $\frac{1}{4}\%$ 5 lbs. sugar @ $7\frac{1}{2}\phi$; 1 yeast cake, 2ϕ . Bought of Merrill & Merrill on $\frac{1}{4}\%$ mdse. per invoice, \$46.23. Paid them on $\frac{1}{4}\%$, \$50. Cash sales, \$31.10.

March 14. Sold Geo. H. Ames on $\frac{1}{4}\%$ $7\frac{1}{2}$ lbs. ham @ 13ϕ ; 1 bag flour, 85ϕ ; 6 lbs. corned beef @ 9ϕ . Sold Chas. C. Bennett on $\frac{1}{4}\%$ 2 gals. molasses @ 65ϕ , 2 bushels potatoes @ 80ϕ . Paid Hayes & Hill cash to balance $\frac{1}{4}\%$. Cash sales, \$33.10.

March 15. Sold William Butler on $\frac{1}{4}\%$ 5 lbs. pearline @ 10ϕ . Geo. H. Ames paid cash to balance $\frac{1}{4}\%$. Sold William Butler on $\frac{1}{4}\%$ 1 tub butter, 31 lbs., @ 29ϕ . He paid cash to balance $\frac{1}{4}\%$. Sold Frank H. Carter on $\frac{1}{4}\%$ 15 lbs. granulated meal @ 5ϕ . Wm. H. Cogswell paid cash to balance $\frac{1}{4}\%$. Sold Samuel M. Dickey on $\frac{1}{4}\%$ 4 qts. lima beans @ 15ϕ , 8 qts. pea beans @ 10ϕ . He has paid cash to balance $\frac{1}{4}\%$. Cash sales, \$61.21.

March 17. Bought of Rice, Richardson & Co. on $\frac{1}{4}\%$ mdse. per invoice, \$56.31. Sold Nicholas L. Currier on $\frac{1}{4}\%$ 5 lbs. raisins @ 15ϕ ; 15 lbs. maple sugar @ 17ϕ ; 1 peck spinach greens, 20ϕ . Cash sales, \$27.60.

March 18. Sold Wm. H. Cogswell on $\frac{1}{4}\%$ 7 lbs. salt pork @ 11ϕ ; 1 can blueberries, 15ϕ ; 1 can peaches, 25ϕ . Cash sales, \$39.62.

March 19. Sold Frank H. Carter on $\frac{1}{4}\%$ 5 lbs. boneless codfish @ 8ϕ , 4 lbs. English walnuts @ 7ϕ , 6 lbs. evaporated apple @ 12ϕ . Bought of Merrill & Merrill on $\frac{1}{4}\%$ provisions per invoice, \$39.42. Sold Chas. C. Bennett on $\frac{1}{4}\%$ 1 bbl. flour, \$7.50. Sold Henry Allen on $\frac{1}{4}\%$ 5 gals. molasses @ 65ϕ , 6 gals. kerosene oil @ 12ϕ . Cash sales, \$24.46.

March 20. Sold William Butler on $\frac{1}{4}\%$ $\frac{1}{2}$ bush. potatoes, 60ϕ ; $\frac{1}{4}$ lb. cream of tartar, 15ϕ . Sold Chas. C. Bennett on $\frac{1}{4}\%$ 1 lb. soda, 10ϕ ; 10 lbs. sugar @ $7\frac{1}{2}\phi$; 2 boxes white oats @ 12ϕ . Bought of Rice, Richardson & Co. on $\frac{1}{4}\%$ mdse. per invoice, \$18.90. Sold Wm. H. Cogswell on $\frac{1}{4}\%$ 2 lbs. coffee @ 38ϕ , 2 cans corn @ 15ϕ , 2 gals. molasses @ 65ϕ . Cash sales, \$41.46.

March 21. Sold Frank H. Carter on $\frac{1}{4}\%$ 3 doz. eggs @ 23ϕ , 2 qts. beans @ 10ϕ . Sold William Butler on $\frac{1}{4}\%$ 3 gals. kerosene oil @ 13ϕ , 5 bars soap @ 5ϕ . Paid Rice, Richardson & Co. cash in full of $\frac{1}{4}\%$. Cash sales, \$56.40.

March 22. Sold Frank H. Carter on $\frac{1}{4}\%$ 10 lbs. sugar @ 10ϕ ; 2 boxes pearline @ 12ϕ ; 1 can corn, 15ϕ . Sold Wm. H. Cogswell on $\frac{1}{4}\%$ 6 oranges, 20ϕ ; 1 bottle lemon extract, 20ϕ . He paid cash to balance $\frac{1}{4}\%$. Sold Henry Allen on $\frac{1}{4}\%$ 2 qts. beans @ 10ϕ , 2 lbs. graham crackers @ 20ϕ . William Butler paid cash to balance $\frac{1}{4}\%$. Cash sales, \$56.21.

March 24. Sold Samuel M. Dickey on $\frac{1}{4}\%$ 1 lb. dried beef, 30ϕ ; 5 lbs. sugar @ $7\frac{1}{2}\phi$; 1 box pearline, 12ϕ . Sold Nicholas L. Currier on $\frac{1}{4}\%$ 5 bars soap @ 5ϕ ; 3 qts. beans @ 10ϕ ; 1 can corn, 15ϕ . Sold Wm. H. Cogswell on $\frac{1}{4}\%$ 1 box white oats, 12ϕ ; 1 yeast cake, 2ϕ ; 1 lb. coffee, 35ϕ . Sold Frank H. Carter on $\frac{1}{4}\%$ 2 lbs. graham crackers @ 20ϕ ; 1 gal. molasses, 65ϕ . Cash sales, \$31.40.

March 25. Sold William Butler on $\frac{1}{4}\%$ $\frac{1}{2}$ lb. chocolate, 20ϕ ; 5 lbs. corn meal @ 3ϕ . Bought of Hayes & Hill on $\frac{1}{4}\%$ mdse. per invoice, \$36.41. Cash sales, \$18.90.

March 26. Sold Chas. C. Bennett on $\frac{1}{4}\%$ 3 lbs. crackers @ 8ϕ ; 2 boxes gelatine @ 17ϕ ; 1 bottle pickles, 25ϕ . Sold Geo. H. Ames on $\frac{1}{4}\%$ 1 doz. eggs, 23ϕ ; 2 lbs. prunes @ 12ϕ . Cash sales, \$35.29.

March 27. Bought mdse. of Merrill & Merrill on $\frac{1}{4}\%$, \$41.30. Sold Henry Allen on $\frac{1}{4}\%$ 4 gals. kerosene oil @ $12\frac{1}{2}\phi$; $\frac{1}{2}$ lb. coffee @ 38ϕ ; 1 box pearline, 12ϕ . Cash sales, \$39.36.

March 28. Sold Frank H. Carter on $\frac{1}{4}\%$ 1 bottle pickles, 25ϕ ; 1 box white oats, 12ϕ . Paid Merrill & Merrill cash in full of $\frac{1}{4}\%$. Cash sales, \$26.42.

March 29. Samuel M. Dickey has paid cash in full of $\frac{1}{4}\%$. Sold Henry Allen on $\frac{1}{4}\%$ $\frac{1}{2}$ doz. lemons, 10ϕ ; 1 bottle horse radish, 10ϕ ; 1 lb. coffee, 35ϕ ; 1 lb. graham crackers, 20ϕ . Wm. H. Cogswell paid cash in full of $\frac{1}{4}\%$. Bought of Rice, Richardson & Co. on $\frac{1}{4}\%$ mdse. per invoice, \$41.42. William Butler paid cash in full of $\frac{1}{4}\%$. Sold Chas. C. Bennett on $\frac{1}{4}\%$ 1 yeast cake, 2ϕ ; $\frac{1}{4}$ lb. cream of tartar, 15ϕ ; 3 qts. beans @ 10ϕ ; 6 bars of soap @ 5ϕ . Geo. H. Ames paid cash to balance $\frac{1}{4}\%$. Cash sales, \$61.

March 31. Paid cash for rent, \$40. Sold Geo. H. Ames on $\frac{1}{4}\%$ 1 doz. eggs, 23ϕ ; 1 box gelatine, 17ϕ ; 1 can corn, 15ϕ . Paid clerk in cash, \$45. Cash sales, \$39.91.

We give below the first page of the Day Book as it should appear in the pupil's book. He should study its form carefully, and endeavor to follow the general arrangement on the page. He should be very careful in his writing and make every letter and figure distinctly.

DAY BOOK. FORM II.

Newton, Mass., March 3, 1890.

	Henry Allen.	Dr.				
	12 Oranges			25		
	3 lbs Apricots @	20¢		60		
33	1 cake Stove Blacking			08		93
	Geo. H. Ames	Dr.				
	1 box Salt			10		
	5 lbs Sugar @ 7¢	4		35		
33	1 bag Flour			85		1 33
	Hayes and Hill	Cr.				
33	Mdse. per invoice				90	62
	Chas. C. Bennett.	Dr.				
	7½ lbs Ham @ 14¢		1	05		
34	1 lb Evap Apple			15		1 20
4	William Butler	Dr.				
	¼ lb. Cream Tartar			15		
33	1 lb. Coffee			35		50
	Frank H. Carter	Dr.				
34	1 doz Eggs					23
	Merrill and Merrill	Cr.				
32	Mdse. per invoice				37	81
	Forward.				132	62

NOTE BY THE PUBLISHERS. Owing to the fineness of the script plates in this book the periods and other marks of punctuation are likely to be broken off here and there.

Newton, March 4, 1890.

		Amount forward			132	62
		Wm. H. Cogswell	Dr.			
		2 lbs. Graham Crackers @ 20¢		40		
	32	1 Yeast Cake		02		42
5		Nicholas L. Currier	Dr.			
		1 qt. Beans		10		
		1 lb. Pearline		12		
	32	1 bottle Horse Radish		10		32
		Rice, Richardson & Co.	Cr.			
	34	Mdse. per invoice			139	42
6		Wm. H. Cogswell	Dr.			
		5 lbs. Sugar @ 8¢		40		
	32	1 jar Jam		25		65
		Geo. H. Ames	Dr.			
		1 doz. Eggs		23		
		1 lb. Graham Crackers		20		
	33	6 Lemons		10		53
		Wm. H. Cogswell	Dr.			
		$\frac{1}{2}$ lb. Dried Beef		15		
	32	1 $\frac{3}{4}$ lbs. Beef Steak @ 28¢		49		64
7		Frank H. Carter	Dr.			
		6 Oranges		20		
		1 lb. Apricots		20		
	34	1 doz. Eggs		23		63
		Merrill & Merrill	Cr.			
	32	Mdse. per invoice			36	20
8		Henry Allen	Dr.			
		1 lb. Graham Crackers		20		
	33	1 lb. Oatmeal		12		32
		Samuel M. Dickey	Dr.			
		1 lb. Soda		10		
	34	$\frac{1}{2}$ lb. Chocolate		20		30
		Frank H. Carter	Dr.			
		1 bottle Rose Flavor		25		
	34	5 lbs. Corn Meal @ 3¢		15		40
		Amount forward			312	45

Newton, March 10, 1890.

		<i>Amount forward</i>		312	45
10		<i>Frank H. Carter</i>	<i>Dr.</i>		
		1 lb. Prunes		12	
34		$\frac{1}{2}$ lb. Dried Beef		15	27
		<i>William Butler</i>	<i>Dr.</i>		
		$\frac{1}{4}$ lb. Cream Tartar		15	
33		15 Crackers		08	23
		<i>Hayes & Hill</i>	<i>Cr.</i>		
33		Mdse. per invoice		37	62
11		<i>Chas. C. Bennett</i>	<i>Dr.</i>		
		1 gal. Molasses		65	
		1 doz. Eggs		23	
34		1 Yeast Cake		02	90
		<i>Henry Allen</i>	<i>Dr.</i>		
		1 pk. Potatoes		30	
33		5 lbs. Sugar @ $7\frac{1}{2}\phi$		38	68
12		<i>Samuel M. Dickey</i>	<i>Dr.</i>		
		1 can Corn		15	
		$\frac{1}{2}$ doz. Beets		08	
		1 lb. Pearline		12	
34		1 lb. Apricots		20	55
		<i>Nicholas L. Currier</i>	<i>Dr.</i>		
32		2 lbs. Sugar @ 8ϕ			16
		<i>Rice, Richardson & Co.</i>	<i>Cr.</i>		
34		Mdse. per invoice		26	25
		<i>Wm. H. Cogswell</i>	<i>Dr.</i>		
		2 qts. Beans @ 10ϕ		20	
32		2 lbs. Corned Beef @ 12ϕ		24	44
13		<i>Henry Allen</i>	<i>Dr.</i>		
		5 lbs. Sugar @ $7\frac{1}{2}\phi$		38	
33		1 Yeast Cake		02	40
		<i>Merrill & Merrill</i>	<i>Cr.</i>		
32		Mdse. per invoice		46	23
14		<i>Geo. H. Ames</i>	<i>Dr.</i>		
		$7\frac{1}{2}$ lbs. Ham @ 13ϕ		98	
		1 bag Flour		85	
33		6 lbs. Corned Beef @ 9ϕ		54	2 37
		<i>Amount forward</i>		428	55

Newton, March 14, 1890.

		Amount forward			428 55
		Chas. C. Bennett	Dr.		
		2 gals. Molasses @ 65¢		1 30	
34		2 bu. Potatoes @ 80¢		1 60	2 90
15		William Butler	Dr.		
		5 lbs. Pearline @ 10¢		50	
33		1 tub Butter, 31 lbs., @ 29¢		8 99	9 49
		Frank H. Carter	Dr.		
34		15 lbs. Granulated Meal @ 5¢			75
		Samuel L. Dickey	Dr.		
		4 qts. Lima Beans @ 15¢		60	
34		8 qts. Pea Beans @ 10¢		80	1 40
17		Rice, Richardson & Co.	Cr.		
34		Mdse. per invoice			56 31
		Nicholas L. Currier	Dr.		
		5 lbs. Raisins @ 15¢		75	
		15 lbs. Maple Sugar @ 17¢		2 55	
32		1 pk. Spinach Greens		20	3 50
18		Wm. H. Cogswell	Dr.		
		7 lbs. Salt Pork @ 11¢		77	
		1 can Blueberries		15	
32		1 can Peaches		25	1 17
19		Frank H. Carter	Dr.		
		5 lbs. Boneless Codfish @ 8¢		40	
		4 lbs. English Walnuts @ 7¢		28	
34		6 lbs. Evaporated Apple @ 12¢		72	1 40
		Merrill & Merrill	Cr.		
32		Mdse. per invoice			39 42
		Chas. C. Bennett	Dr.		
34		1 bbl. Flour			7 50
		Henry Allen	Dr.		
		5 gals. Molasses @ 65¢		3 25	
33		6 gals. Kerosene Oil @ 12¢		72	3 97
20		William Butler	Dr.		
		$\frac{1}{2}$ bu. Potatoes		60	
33		$\frac{1}{4}$ lb. Cream Tartar		15	75
		Amount forward			557 11

Newton, March 20, 1890.

		Amount forward		557	11
		Chas. C. Bennett	Dr.		
		1 lb. Soda		10	
		10 lbs. Sugar @ $7\frac{1}{2}\text{¢}$		75	
34		2 boxes White Oats @ 12¢		24	1 09
		Rice, Richardson & Co.	Cr.		
34		Mdse. per invoice		18	90
		Wm. H. Cogswell	Dr.		
		2 lbs. Coffee @ 38¢		76	
		2 cans Corn @ 15¢		30	
32		2 gals. Molasses @ 65¢		1 30	2 36
21		Frank H. Carter	Dr.		
		3 doz. Eggs @ 23¢		69	
34		2 qts. Beans @ 10¢		20	89
		William Butler	Dr.		
		3 gals. Kerosene Oil @ 13¢		39	
33		5 bars Soap @ 5¢		25	64
22		Frank H. Carter	Dr.		
		10 lbs. Sugar @ 10¢		1 00	
		2 boxes Pearlina @ 12¢		24	
34		1 can Corn		15	1 39
		Wm. H. Cogswell	Dr.		
		6 Oranges		20	
32		1 bottle Lemon Extract		20	40
		Henry Allen	Dr.		
		2 qts. Beans @ 10¢		20	
33		2 lbs. Graham Crackers @ 20¢		40	60
24		Samuel M. Dickey	Dr.		
		1 lb. Dried Beef		30	
		5 lbs. Sugar @ $7\frac{1}{2}\text{¢}$		38	
34		1 box Pearlina		12	80
		Nicholas L. Currier	Dr.		
		5 bars Soap @ 5¢		25	
		3 qts. Beans @ 10¢		30	
32		1 can Corn		15	70
		Wm. H. Cogswell	Dr.		
		1 box White Oats		12	
		1 Yeast Cake		02	
32		1 lb. Coffee		35	49
		Amount forward		585	37

Newton, March 24, 1890.

		Amount forward		585	37
		Frank H. Carter	Dr.		
		2 lbs. Graham Crackers @ 20¢		40	
25	34	1 gal. Molasses		65	1 05
		William Butler	Dr.		
		$\frac{1}{2}$ lb. Chocolate		20	
	33	5 lbs. Corn Meal @ 3¢		15	35
		Hayes & Hill	Cr.		
	33	Mdse. per invoice			36 41
26		Chas. C. Bennett	Dr.		
		3 lbs. Crackers @ 8¢		24	
		2 boxes Gelatine @ 17¢		34	
	34	1 bottle Pickles		25	83
		Geo. H. Ames	Dr.		
		1 doz. Eggs		23	
	33	2 lbs. Prunes @ 12¢		24	47
27		Merrill & Merrill	Cr.		
	32	Mdse. per invoice			41 30
		Henry Allen	Dr.		
		4 gals. Kerosene Oil @ $12\frac{1}{2}$ ¢		50	
		$\frac{1}{2}$ lb. Coffee @ 38¢		19	
	33	1 box Pearline		12	81
28		Frank H. Carter	Dr.		
		1 bottle Pickles		25	
	34	1 box White Oats		12	37
29		Henry Allen	Dr.		
		$\frac{1}{2}$ doz. Lemons		10	
		1 bottle Horse Radish		10	
		1 lb. Coffee		35	
	33	1 lb. Graham Crackers		20	75
		Rice, Richardson & Co.	Cr.		
	34	Mdse. per invoice			41 42
		Chas. C. Bennett	Dr.		
		1 Yeast Cake		02	
		$\frac{1}{4}$ lb. Cream Tartar		15	
		3 qts. Beans @ 10¢		30	
	34	6 bars Soap @ 5¢		30	77
31		Geo. H. Ames	Dr.		
		1 doz. Eggs		23	
		1 box Gelatine		17	
	33	1 can Corn		15	55
		Total footing		710	45

CASH BOOK. FORM II.

Cash

Dr.

1890					
Mar 3		Balance		190	87
" "		Sales		36	42
" 4		"		31	42
" 5		"		62	39
" 6		"		30	36
" 7		"		21	46
" 8	33	Geo. H. Ames on %	1	86	
" "	34	Sam'l S. Dickey on %		30	
" "	33	William Butler on %		50	
" "	32	William H Cogswell on %	1	71	4 37
" "		Sales		65	42
				442	71
				442	71
Mar 10		Balance		293	25
" "		Sales		21	46
" 11		"		27	42
" 12		"		40	17
" 13		"		31	10
" 14		"		33	10
" 15	33	Geo. H. Ames on %	2	37	
" "	33	William Butler on %	9	72	
" "	32	William H. Cogswell on %		44	
" "	34	Samuel M. Dickey on %	1	95	14 48
" "		Sales		61	24
				522	19
				522	19
Mar 17		Balance		368	95
" "		Sales		27	60
" 18		"		39	62
" 19		"		24	46
" 20		"		41	46
" 21		"		56	40
		Amount forward		558	49
				558	49

Cash

Cr.

1890					
Mar. 3		Rice Richardson & Co. for Mdse.			39 46
" 4	33	Hayes and Hill on %	50		
" "	32	Merrill and Merrill on %	25		
" 7	32	" " " on %	35		110 46
8		Balance			173 25

$$\begin{array}{r} 442.71 \\ 149.46 \\ \hline 293.25 \end{array}$$

					442 71
Mar. 11	33	Hayes and Hill on %	40		
" 12	34	Rice Richardson and Co. on %	25		
" 13	32	Merrill and Merrill on %	50		
" 14	33	Hayes and Hill on %	38 24		153 24
		Balance			288 15

$$\begin{array}{r} 522.19 \\ 153.24 \\ \hline 368.95 \end{array}$$

					522 19
Mar. 21	34	Rice Richardson & Co. on %	215 88		215 88

Amount forward

215 88

CASH.

Dr.

March 22		Amount forward			558 49
" "	32	Wm. H. Cogswell to bal. $\frac{q}{c}$	3	93	
" "	33	William Butler to bal. $\frac{q}{c}$	1	39	5 32
" "		Sales			56 21
					620 02
March 24		Balance			404 14
" "		Sales			31 40
" 25		"			18 90
" 26		"			35 29
" 27		"			39 36
" 28		"			26 42
" 29	34	Samuel M. Dickey to bal. $\frac{q}{c}$	80		
" "	32	Wm. H. Cogswell to bal. $\frac{q}{c}$	49		
" "	33	William Butler to bal. $\frac{q}{c}$	35		
" "	33	Geo. H. Ames to bal. $\frac{q}{c}$	47		2 11
" "		Sales			61 00
					618 62
March 31		Balance			527 66
" "		Sales			39 91
					567 57
April 1		Balance			482 57

CASH.

Cr.

March 22		Amount forward			215	88
" 22		Balance			404	14
					620	02
March 28	32	Merrill & Merrill to bal. $\frac{9}{16}$	90	96	90	96
" 29		Balance			527	66
					618	62
March 31		Rent of store			40	00
" "		Clerk			45	00
" 31		Balance			482	57
					567	57

LEDGER. FORM II.

Dr.		Merrill and Merrill				Cr.	
1890		1890					
March 4	Cash	29	25	00	March 4	Mdse.	22 37 81
" 7	"	29	35	00	" 7	"	23 36 20
" 13	"	29	50	00	" 13	"	24 46 23
" 28	"	31	90	96	" 19	"	25 39 42
			200	96	" 27	"	27 41 30
			200	96			200 96

Dr.		William H Cogswell				Cr.	
1890		1890					
March 4	Mdse.	23	42		March 8	Cash	28 1 71
" 6	"	23	65				
" 6	"	23	64				
			1	71			1 71
Mar. 12	Mdse.	24	44		Mar. 15	Cash	28 44
" 18	Mdse.	25	1	17	Mar 22	Cash	30 3 93
" 20	"	26	2	36			
" 22	"	26		40			
			3	93			3 93
Mar 24	Mdse.	26	49		Mar 29	Cash	30 49

Dr.		Nicholas L. Currier				Cr.	
1890		1890					
Mar. 5	Mdse.	23	32		Mar 31	Balance	4 68
" 12	"	24	16				
" 17	"	25	3	50			
" 24	"	26		70			
			4	68			4 68
Apr. 1	Balance		4	68			

Dr.

HENRY ALLEN.

Cr.

1890				1890			
March 3	Mdse.	22		March 3	Balance	8	46
" 8	"	23					
" 11	"	24					
" 13	"	24					
" 19	"	25	3				
" 22	"	26					
" 27	"	27					
" 29	"	27					
			8			8	46
April 1	Balance		8				
			46				

Dr.

GEO. H. AMES.

Cr.

1890				1890			
March 3	Mdse.	22	1 33	March 8	Cash	28	1 86
" 6	"	23	53				
			1 86				1 86
March 14	Mdse.	24	2 37	March 15	Cash	28	2 37
March 26	Mdse.	27	47	March 29	Cash	30	47
March 31	Mdse.	27	55				

Dr.

HAYES & HILL.

Cr.

1890				1890			
March 4	Cash	29	50 00	March 3	Mdse.	22	90 62
" 11	"	29	40 00	" 10	"	24	37 62
" 14	"	29	38 24				
			128 24				128 24
				March 25	Mdse.	27	36 41

Dr.

WILLIAM BUTLER.

Cr.

1890				1890			
March 4	Mdse.	22	50	March 8	Cash	28	50
March 10	Mdse.	24	23	March 15	Cash	28	9 72
" 15	"	25	9 49				
			9 72				9 72
March 20	Mdse.	25	75	March 22	Cash	30	1 39
" 21	"	26	64				
			1 39				1 39
March 25	Mdse.	27	35	March 29	Cash	30	35

<i>Dr.</i>		CHAS. C. BENNETT.				<i>Cr.</i>	
1890					1890		
March 3	Mdse.	22	1	20	March 31	Balance	15 19
" 11	"	24		90			
" 14	"	25	2	90			
" 19	"	25	7	50			
" 20	"	26	1	09			
" 26	"	27		83			
" 29	"	27		77			
			15	19			15 19
April 1	Balance		15	19			

<i>Dr.</i>		FRANK H. CARTER.				<i>Cr.</i>	
1890					1890		
March 4	Mdse.	22		23	March 31	Balance	7 38
" 7	"	23		63			
" 8	"	23		40			
" 10	"	24		27			
" 15	"	25		75			
" 19	"	25	1	40			
" 21	"	26		89			
" 22	"	26	1	39			
" 24	"	27	1	05			
" 28	"	27		37			
			7	38			7 38
April 1	Balance		7	38			

<i>Dr.</i>		SAMUEL M. DICKEY.				<i>Cr.</i>	
1890					1890		
March 8	Mdse.	23		30	March 8	Cash	28 30
March 12	Mdse.	24		55	March 15	Cash	28 1 95
" 15	"	25	1	40			
			1	95			1 95
March 24	Mdse.	26		80	March 29	Cash	30 80

<i>Dr.</i>		RICE, RICHARDSON & CO.				<i>Cr.</i>	
1890					1890		
March 12	Cash	29	25	00	March 5	Mdse.	23 139 42
" 21	"	29	215	88	" 12	"	24 26 25
					" 17	"	25 56 31
					" 20	"	26 18 90
			240	88			240 88
					March 29	Mdse.	27 41 42

REMARKS UPON FORM II.

This form has been introduced as a type of single-entry book-keeping. It exhibits the principles of the science in their most common applications.

It is possible to vary it in many ways, and to introduce other books; but he who has mastered thoroughly the method as here presented has laid well the foundations for future building.

We notice one of the commonest variations:—

(1) The Day Book includes all items that are to be posted to the Ledger. In this case, cash on account is recorded in both the Day Book and the Cash Book, and nothing is posted from the Cash Book. The total footing of the Day Book for any period equals the sum of the footings of the Ledger for the same period.

(2) The Cash Book takes the form of the cash account in Form I., or it may take the form exhibited on pages 38 and 39.

QUESTIONS.

What is said of Form II.? What variation in the Day Book is described? What three things will follow when this form is used? What other form of Cash Book may be used when cash paid or received on account is recorded in the Day Book? What advantage has this form of Cash Book?

On the following pages we give a portion of the Day Book and Cash Book as they may appear when the Day Book contains a complete record of debits and credits. If the teacher desires, he may require them to be completed from the memoranda of Exercise 5. Exercises 6 and 7 may be written by either method or by both methods.

Newton, Mass., March 3, 1890.

	Henry Allen	Dr.		
	12 Oranges		25	
	3 lbs. Apricots @ 20¢		60	
33	1 cake Stove Blacking		08	93
	3			
	Geo. H. Ames	Dr.		
	1 box Salt		10	
	5 lbs. Sugar @ 7½¢		38	
33	1 bag Flour		85	1 33
	"			
	Hayes & Hill	Cr.		
33	Mdse. per invoice			90 62
	"			
	Chas. C. Bennett	Dr.		
	7½ lbs. Ham @ 14¢		1 05	
34	1 lb. Evap. Apple		15	1 20
	4			
	William Butler	Dr.		
	¼ lb. Cream Tartar		15	
33	1 lb. Coffee		35	50
	"			
	Frank H. Carter	Dr.		
34	1 doz. Eggs			23
	"			
	Hayes & Hill	Dr.		
33	Cash on %			50 00
	"			
	Merrill & Merrill	Cr.		
32	Mdse. per invoice			37 81
	"			
	Wm. H. Cogswell	Dr.		
	2 lbs. Graham Crackers @ 20¢		40	
32	1 Yeast Cake		02	42
	5			
	Nicholas L. Currier	Dr.		
	1 qt. Beans		10	
	1 lb. Pearline		12	
32	1 bottle Horse Radish		10	32
	"			
	Merrill & Merrill	Dr.		
32	Cash on %			25 00
	"			
	Rice, Richardson & Co.	Cr.		
24	Mdse. per invoice			139 42
	6			
	Wm. H. Cogswell	Dr.		
	½ lb. Dried Beef		15	
32	1¾ lbs. Beef Steak @ 28¢		49	64
	Forward			348 42

Newton, Mass., March 6, 1890.

Forward			348 42
Geo. H. Ames	Dr.		
1 doz. Eggs		23	
1 lb. Graham Crackers		20	
6 Lemons		10	53
6			
William H. Cogswell	Dr.		
$\frac{1}{2}$ lb. Dried Beef		15	
$1\frac{3}{4}$ lbs. Beef Steak @ 28¢		49	64
7			
Frank H. Carter	Dr.		
6 Oranges		20	
1 lb. Apricots		20	
1 doz. Eggs		23	63
"			
Merrill & Merrill	Cr.		
Mdse. per invoice			36 20
Dr.			
Cash on $\frac{9}{16}$			35 00
8			
Henry Allen	Dr.		
1 lb. Graham Crackers		20	
1 lb. Oatmeal		12	32
"			
Geo. H. Ames	Cr.		
Cash in full of $\frac{9}{16}$			1 86
"			
Samuel M. Dickey	Dr.		
1 lb. Soda		10	
$\frac{1}{2}$ lb. Chocolate		20	30
Cr.			
Cash in full of $\frac{9}{16}$			30
8			
Frank H. Carter	Dr.		
1 bottle Rose Flavor		25	
5 lbs. Corn Meal @ 3¢		15	40
"			
William Butler	Cr.		
Cash in full of $\frac{9}{16}$			50
"			
William H. Cogswell	Cr.		
Cash in full of $\frac{9}{16}$			1 71
10			
Frank H. Carter	Dr.		
1 lb. Prunes		12	
$\frac{1}{2}$ lb. Dried Beef		15	27
Forward			427 08

CASH.

Dr.

1890									
March	3	Balance						190	87
"	"	Sales		36	42				
"	4	"		31	42				
"	5	"		62	39				
"	6	"		30	36				
"	7	"		21	46				
"	8	Geo. H. Ames on $\frac{a}{c}$		1	86				
"	"	Samuel M. Dickey on $\frac{a}{c}$			30				
"	"	William Butler on $\frac{a}{c}$			50				
"	"	Wm. H. Cogswell on $\frac{a}{c}$		1	71				
"	"	Sales		65	42			251	84
								442	71
March	10	Balance						293	25
"	"	Sales		21	46				
"	11	"		27	42				
"	12	"		40	17				
"	13	"		31	10				
"	14	"		33	10				
"	15	Geo. H. Ames on $\frac{a}{c}$		2	37				
"	"	William Butler on $\frac{a}{c}$		9	72				
"	"	Wm. H. Cogswell on $\frac{a}{c}$			44				
"	"	Samuel M. Dickey on $\frac{a}{c}$		1	95				
"	"	Sales		61	21			228	94
								522	19
March	17	Balance						368	95
"	"	Sales		27	60				
"	18	"		39	62				
"	19	"		24	46				
"	20	"		41	46				
"	21	"		56	40				
"	22	Wm. H. Cogswell on $\frac{a}{c}$		3	93				
"	"	William Butler on $\frac{a}{c}$		1	39				
"	"	Sales		56	21			251	07
								620	02
March	24	Balance						404	14
"	"	Sales		31	40				
"	25	"		18	90				
"	26	"		35	29				
"	27	"		39	36				
"	28	"		26	42				
"	29	Samuel M. Dickey on $\frac{a}{c}$			80				
"	"	Wm. H. Cogswell on $\frac{a}{c}$			49				
"	"	William Butler on $\frac{a}{c}$			35				
"	"	Geo. H. Ames on $\frac{a}{c}$			47				
"	"	Sales		61	00			214	48
								618	62
March	31	Balance						527	66

CASH.

Cr.

1890									
March	3	Rice, Richardson & Co. for Mdse.	39	46					
"	4	Hayes & Hill on $\frac{1}{2}\%$	50	00					
"	"	Merrill & Merrill on $\frac{1}{2}\%$	25	00					
"	7	Merrill & Merrill on $\frac{1}{2}\%$	35	00		149	46		
"	8	Balance				293	25		
						442	71		
March	11	Hayes & Hill on $\frac{1}{2}\%$	40	00					
"	12	Rice, Richardson & Co. on $\frac{1}{2}\%$	25	00					
"	13	Merrill & Merrill on $\frac{1}{2}\%$	50	00					
"	14	Hayes & Hill on $\frac{1}{2}\%$	38	24		153	24		
"	15	Balance				368	95		
						522	19		
March	21	Rice, Richardson & Co. on $\frac{1}{2}\%$	215	88		215	88		
"	"	Balance				404	14		
						620	02		
March	28	Merrill & Merrill on $\frac{1}{2}\%$	90	96		90	96		
"	29	Balance							

EXERCISE 6.

Following are the transactions of William F. Welch, dealer in dry and fancy goods, Pembroke, Mass., for the month of June, 1890. They should be recorded in the proper blanks, and the Ledger accounts should be balanced and closed. The correct balances will be found on page 41.

June 2. Cash on hand, \$140.32. Bought of Hall, Hubbard & Co. on $\frac{1}{2}\%$ mdse. per invoice, \$96.37. Sold Geo. W. Stevens on $\frac{1}{2}\%$ 3 doz. buttons @ 33¢; 1 doz. buttons, 10¢; 1 shirt, \$1.25. Sold Lydia L. Stead on $\frac{1}{2}\%$ 3 yds. wigan @ 12½¢; 2 yds. crinoline @ 10¢; 2 spools silk @ 10¢; braid, 7¢; trimming, 50¢. Cash sales, \$39.62.

June 3. Sold Albert J. Putnam on $\frac{1}{2}\%$ 2 yds. cotton @ 8¢; 1 bottle cologne, 25¢; 1½ yds. cambric @ 8¢. Bought of Dixon & Spencer on $\frac{1}{2}\%$ mdse. per invoice, \$37.62. Paid express, \$1.62. Sold Carrie E. Newton on $\frac{1}{2}\%$ 4 yds. cotton @ 11¢; 1 pr. cuffs, 13¢. Cash sales, \$29.39.

June 4. Sold Geo. L. Miller on $\frac{1}{2}\%$ 2½ yds. cambric @ 7¢, 2 spools thread @ 5¢. Sold Henry L. Matthews on $\frac{1}{2}\%$ 2 prs. hose @ 33¢; 1 collar, 10¢; 1 under-vest, 38¢. Bought of Hall, Hubbard & Co. on $\frac{1}{2}\%$ mdse. per invoice, \$90.91. Cash sales, \$46.42.

June 5. Paid for advertising in Pembroke Mirror for May, \$16.25. Sold David W. Kilpatrick on $\frac{1}{2}\%$ 2 prs. hose @ 37½¢, 3½ yds. silesia @ 12½¢. Sold Nellie S. Howard on $\frac{1}{2}\%$ 2 yds. silesia @ 25¢; 5 yds. cambric @ 7¢; 1½ yds. crinoline @ 12¢; silk braid, 17¢. Cash sales this day, \$46.09.

June 6. Sold William King on $\frac{1}{2}\%$ 1 shirt, 75¢; ½ doz. napkins, \$1.25; 1 collar, 20¢; 3 handkerchiefs @ 12½¢. Bought of Dixon & Spencer on $\frac{1}{2}\%$ mdse. per invoice, \$90.60. Paid Mrs. McClink for washing floor, \$1. Paid for repairing show case, \$1.15. Cash sales this day, \$51.42.

June 7. Sold Lydia L. Stead on $\frac{1}{2}\%$ 3 bones @ 12¢; 1 spool twist, 5¢; 1 stick braid, 7¢. Paid Peter C. Blanchard salary, \$8. Paid Hall, Hubbard & Co. on $\frac{1}{2}\%$, \$75. Cash sales, \$62.91.

June 9. Sold Carrie E. Newton on $\frac{1}{2}\%$ 1½ yds. silesia @ 16¢; hooks and eyes, 5¢. Sold Lydia L. Stead on $\frac{1}{2}\%$ 2 yds. cotton @ 8¢; 1 yd. canvas, 25¢; 5 yds. cambric @ 7¢; 2 bones @ 12¢. Paid William F. Welch on private $\frac{1}{2}\%$, \$25. Cash sales, \$29.46.

June 10. Bought of Dixon & Spencer on $\frac{1}{2}\%$ mdse. per invoice, \$62. Paid them on $\frac{1}{2}\%$, \$100. Sold Geo. W. Stevens on $\frac{1}{2}\%$ 1 tie, 50¢; 2 prs. cuffs @ 25¢. Sold Geo. L. Miller on $\frac{1}{2}\%$ 1 pattern, 15¢; 1 pr. gloves, \$1; 2 prs. drawers @ 75¢. William King has repaired shelves, for which he charges 90¢. Sold Henry L. Matthews on $\frac{1}{2}\%$ 1 skirt, 65¢; 3 collars @ 20¢. Sold Carrie E. Newton on $\frac{1}{2}\%$ 1 net, 50¢; 1 pr. hose, 33¢; needles, 5¢. Cash sales, \$51.50.

June 11. Sold David W. Kilpatrick on $\frac{1}{2}\%$ 1 pr. hose, 50¢; 2 prs. hose @ 33¢; 1 tie, 50¢. Paid for insurance on goods in stock, \$50.50. Bought of Hall, Hubbard & Co. on $\frac{1}{2}\%$ mdse. per invoice, \$39.60. Sold Henry L. Matthews on $\frac{1}{2}\%$ 2 spools silk @ 10¢; ½ yd. crinoline, 6¢; 1 doz. buttons, 13¢; 12 yds. chambray @ 10¢. Cash sales, \$62.43.

June 12. Sold Nellie S. Howard on $\frac{1}{2}\%$ 2 bones @ 12¢; 1 doz. buttons, 8¢; 2 prs. hose @ 25¢. Sold Albert J. Putnam on $\frac{1}{2}\%$ 1 pr. hose, 25¢; 1 tidy, 12¢; 2 collars @ 17¢. Paid Dixon & Spencer on $\frac{1}{2}\%$, \$75. Sold William King on $\frac{1}{2}\%$ 1 yd. Hamburg, 30¢; 8 yds. flannel @ 30¢; 2 yds. cotton @ 8¢; 1½ yds. silesia @ 10¢; 1 pattern, 20¢. Cash sales, \$41.92.

June 13. Paid Hall, Hubbard & Co. cash on $\frac{1}{2}\%$, \$60. Sold Lydia L. Stead on $\frac{1}{2}\%$ 2 yds. silesia @ 16¢; 2½ yds. lasting @ 45¢; 1 yd. nainsook, 7¢. Geo. W. Stevens paid cash in full of $\frac{1}{2}\%$. Sold David W. Kilpatrick on $\frac{1}{2}\%$ 3 yds. lace @ 8¢; 1 comb, 8¢; 1 pc. braid, 6¢; 2½ yds. cambric @ 7¢. Cash sales, \$71.42.

June 14. Albert J. Putnam paid cash in full of $\frac{1}{2}\%$. Paid Hall, Hubbard & Co. cash on $\frac{1}{2}\%$, \$50. Sold Geo. L. Miller on $\frac{1}{2}\%$ 1 sunshade, \$1.75; 1 skirt, \$1; 1 collar, 20¢. Paid Peter C. Blanchard salary, \$8. Sold Lydia L. Stead on $\frac{1}{2}\%$ corsets, \$1.25; 1 yd. cambric, 7¢; 2 doz. buttons @ 12¢. Cash sales, \$60.41.

June 16. Sold Nellie S. Howard on $\frac{1}{2}\%$ 1 pocket book, \$1.50. Sold Henry L. Matthews on $\frac{1}{2}\%$ 1 pr. suspenders, 75¢; 1 birthday card, 70¢; 1 handkerchief, 25¢. Bought of Hall, Hubbard & Co. on $\frac{1}{2}\%$ mdse. per invoice, \$62.40. Lydia L. Stead paid cash in full of $\frac{1}{2}\%$. Cash sales, \$32.31.

June 17. Sold Geo. W. Stevens on $\frac{1}{2}\%$ ruching, 30¢; 1 handkerchief, 50¢; 3 aprons @ 25¢. Sold Albert J. Putnam on $\frac{1}{2}\%$ 1 pr. suspenders, \$1; 1 mirror, 75¢; 1 pr. hose, 37¢. Geo. L. Miller paid cash on $\frac{1}{2}\%$, \$1. Cash sales, \$26.31.

June 18. Sold Carrie E. Newton on $\frac{1}{2}\%$ 18 yds. print @ 7¢; 2 spools silk @ 5¢; 1 yd. braid, 7¢; 1 bottle cologne, 25¢; 1 tie, 50¢. Bought of Dixon & Spencer on $\frac{1}{2}\%$ mdse. per invoice, \$39.26. Sold Geo. L. Miller on $\frac{1}{2}\%$ buttons, 50¢; 2 collars @ 25¢; 1 pocket book, \$1; 5 yds. cotton @ 10¢. David W. Kilpatrick paid cash in full of $\frac{1}{2}\%$. Cash sales, \$21.20.

June 19. Paid William F. Welch on private $\frac{1}{2}\%$, \$10. Paid Dixon & Spencer cash on $\frac{1}{2}\%$, \$50. Sold William King on $\frac{1}{2}\%$ 3 yds. crinoline @ 10¢, 2 yds. silesia @ 16¢, $3\frac{1}{2}$ yds. cambric @ 6¢, 8 yds. braid @ 7¢, 3 yds. flannel @ 34¢. Sold David W. Kilpatrick on $\frac{1}{2}\%$ 1 pr. sleeve protectors, 25¢; $14\frac{1}{2}$ yds. cotton @ 9¢. Cash sales, \$51.

June 20. Sold Henry P. Woods on $\frac{1}{2}\%$ 21 yds. cotton @ 9¢, 2 yds. flannel @ 50¢, 2 handkerchiefs @ 50¢. Sold Lydia L. Stead on $\frac{1}{2}\%$ 2 spools silk @ 10¢; 1 spool twist, 5¢; 1 pr. gloves, \$1.25. Sold Nellie S. Howard on $\frac{1}{2}\%$ $4\frac{1}{2}$ yds. cambric @ 7¢: $\frac{3}{4}$ yd. canvas, 19¢; 3 yds. cotton flannel @ 15¢. Cash sales, \$31.46.

June 21. Sold Albert J. Putnam on $\frac{1}{2}\%$ 12 yds. print @ 8¢; 6 prs. hose @ 25¢; 2 prs. drawers @ 50¢; 1 paper of needles, 5¢. Sold Carrie E. Newton on $\frac{1}{2}\%$ 1 skein Saxony yarn, 16¢; 30 yds. print @ 5¢. Paid Peter C. Blanchard salary, \$8. Cash sales, \$60.

June 23. Sold Geo. L. Miller on $\frac{1}{2}\%$ hairpins, 10¢; 1 yd. crinoline, 13¢; 1 pr. gloves, \$1. Sold David W. Kilpatrick on $\frac{1}{2}\%$ 2 bones @ $12\frac{1}{2}$ ¢; silk twist, 25¢; 2 yds. silesia @ 25¢. Sold Nellie S. Howard on $\frac{1}{2}\%$ 3 yds. cambric @ 7¢, 8 bundles wadding @ $12\frac{1}{2}$ ¢, 2 yds. Hamburg edging @ 18¢. Bought of Hall, Hubbard & Co. on $\frac{1}{2}\%$ mdse. per invoice, \$25.67. Cash sales, \$32.41.

June 24. Sold William King on $\frac{1}{2}\%$ 2 spools silk @ 10¢; 1 stick braid, 7¢; 1 pr. hose, 20¢. Sold Henry L. Matthews on $\frac{1}{2}\%$ 2 yds. flannel @ 25¢, $1\frac{3}{4}$ yds. edging @ 12¢. Bought of Dixon & Spencer on $\frac{1}{2}\%$ mdse. per invoice, \$24.42. Cash sales, \$39.42.

June 25. Sold Geo. L. Miller on $\frac{1}{2}\%$ $1\frac{1}{2}$ doz. pearl buttons @ 22¢; 1 tie, 25¢. William King paid cash in full of $\frac{1}{2}\%$. Cash sales, \$20.20.

June 26. Sold Carrie E. Newton on $\frac{1}{2}\%$ 2 balls darning cotton @ 5¢, 5 yds. cambric @ 7¢, 5 yds. silesia @ 18¢. Sold Albert J. Putnam on $\frac{1}{2}\%$ 10 yds. patch @ 8¢; 6 bones @ 5¢; 1 paper needles, 5¢. Bought of Hall, Hubbard & Co. on $\frac{1}{2}\%$ mdse. per invoice, \$39.25. Cash sales, \$52.

June 27. Paid Hall, Hubbard & Co. cash in full of $\frac{1}{2}\%$. Sold Lydia L. Stead on $\frac{1}{2}\%$ 2 doz. buttons @ 25¢, 4 yds. cotton flannel @ 15¢. Cash sales, \$41.42.

June 28. Sold Geo. W. Stevens $\frac{1}{2}$ yd. ruching, 25¢; 3 yds. cambric @ 10¢. Sold Nellie S. Howard on $\frac{1}{2}\%$ 8 collars @ 17¢, 2 prs. cuffs @ 25¢. Albert J. Putnam paid cash in full of $\frac{1}{2}\%$. Paid Peter C. Blanchard salary, \$8. Cash sales, \$71.40.

June 30. Paid Dixon & Spencer cash in full of $\frac{1}{2}\%$. Sold Henry L. Matthews on $\frac{1}{2}\%$ 5 yds. flannel @ 8¢, 2 towels @ $12\frac{1}{2}$ ¢, 2 prs. of stockings @ 38¢. Paid William F. Welch cash on private $\frac{1}{2}\%$, \$15. Sold George L. Miller on $\frac{1}{2}\%$ 1 yd. wigan, 9¢; 1 pattern, 20¢. Cash sales, \$38.42.

The Ledger balances are as follows :—

	<i>Dr.</i>	<i>Cr.</i>
<i>Cash</i>	519 68	
<i>Geo. W. Stevens</i>	2 10	
<i>Lydia L. Stead</i>	2 60	
<i>Carrie E. Newton</i>	6 93	
<i>Geo. L. Miller</i>	9 48	
<i>Henry L. Matthews</i>	7 80	
<i>David W. Kilpatrick</i>	2 56	
<i>Nellie S. Howard</i>	7 91	
<i>Wm. F. Welch</i>	50 00	
<i>Henry P. Woods</i>	3 89	

EXERCISE 7.

Henry P. Jones is a dealer in books, stationery, room paper, and fancy goods, Morton, Mass. Following are some of his transactions for the month of June, 1890:—

June 2. Cash on hand, \$321.42. Bought of Lee & Adams on $\frac{1}{2}\%$ invoice of books, \$39.42. Sold H. B. Bartley on $\frac{1}{2}\%$ 3 quires paper @ 15¢, 3 bunches envelopes @ 10¢. Sold Paul C. Goodrich on $\frac{1}{2}\%$ 15 rolls paper @ 35¢, 20 yds. border @ 15¢. Cash sales, \$21.42.

June 3. Bought of Henry Carter & Co. on $\frac{1}{2}\%$ invoice of paper, \$91.49. Sold A. M. Hanley on $\frac{1}{2}\%$ 1 ink bottle, 50¢; 1 qt. ink, 75¢; 1 gross pens, \$1. Sold S. T. James on $\frac{1}{2}\%$ 1 brush, 25¢; 3 tubes paint @ 9¢. Cash sales, \$36.20.

June 4. Sold M. Y. Landon on $\frac{1}{2}\%$ 1 Morton Illustrated, \$3.50; 1 dictionary, \$10.50. Paid Carter & Co. cash on $\frac{1}{2}\%$, \$50. Cash sales, \$51.39.

June 5. Sold O. S. Pinkerton on $\frac{1}{2}\%$ 1 ruler, 25¢; 1 eraser, 50¢. Sold A. B. Carlton on $\frac{1}{2}\%$ 5 tubes paint @ 9¢. Cash sales, \$63.81.

June 6. Bought of J. L. Hammond on $\frac{1}{2}\%$ invoice of school slates, pencils, and sponges, \$36.21. Sold A. B. Carlton on $\frac{1}{2}\%$ 3 lbs. paper @ 35¢. Cash sales, \$40.10.

June 7. Sold O. S. Pinkerton on $\frac{1}{2}\%$ 25 rolls of room paper @ 40¢, 30 yds. border @ 25¢. Paid Lee & Adams in full of $\frac{1}{2}\%$. Cash sales, \$31.31.

June 9. O. S. Pinkerton paid cash in full of $\frac{1}{2}\%$. Sold M. Y. Landon on $\frac{1}{2}\%$ 1 qt. ink, 50¢; 3 reams sermon paper @ \$2. Cash sales, \$41.39.

June 10. Bought of John Riley & Sons on $\frac{1}{2}\%$ invoice of writing paper, \$44.31. Sold S. T. James on $\frac{1}{2}\%$ 30 yds. border @ 50¢, 26 rolls paper @ 75¢. Cash sales, \$51.46.

June 11. Sold H. B. Bartley on $\frac{1}{2}\%$ 1 paper folder, 50¢; 1 penholder, 25¢. Paid for advertising, \$13.50. Cash sales, \$52.40.

June 12. Bought of Perkins, Parker & Co. on $\frac{1}{2}\%$ mdse. per invoice, \$72.60. Sold Paul C. Goodrich on $\frac{1}{2}\%$ 1 card receiver, \$1.50; 1 ream paper, \$2.60. Paid Carter & Co. cash to balance $\frac{1}{2}\%$. Cash sales, \$39.21.

June 13. Paid for advertising, \$15. Sold A. M. Hanley on $\frac{1}{2}\%$ bill of stationery, \$31.21. Cash sales, \$29.46.

June 14. Cash sales, \$51.42. Paid washwoman for scrubbing floor, \$1.25.

June 16. Sold S. T. James on $\frac{1}{2}\%$ 5 tubes paint @ 9¢; 1 brush, 30¢. Cash sales, \$40.42.

June 17. Bought of J. L. Hammond on $\frac{1}{2}\%$ 1 doz. blackboard rulers, \$6. Cash sales, \$32.91.

June 18. Sold A. B. Carlton on $\frac{1}{2}\%$ 20 rolls wall paper @ 45¢, 25 yds. border @ 30¢. Paid Riley & Sons cash to balance $\frac{1}{2}\%$. Cash sales, \$50.11.

June 19. M. Y. Landon paid \$10 on $\frac{1}{2}\%$. Cash sales, \$23.46.

June 20. Cash sales, \$39.27.

June 21. Bought of Riley & Sons on $\frac{1}{2}\%$ invoice of stationery, \$261.42. Cash sales, \$51.42.

June 23. Sold H. B. Bartley on $\frac{1}{2}\%$ 5 bunches envelopes @ 10¢; 1 box pens, 75¢. Cash sales, \$39.22.

June 24. A. M. Hanley paid \$25 on $\frac{1}{2}\%$. Cash sales, \$41.40.

June 25. Cash sales, \$51.45.

June 26. H. B. Bartley paid cash in full of $\frac{1}{2}\%$. Sold A. B. Carlton on $\frac{1}{2}\%$ 3 curtain fixtures @ 35¢. Cash sales, \$46.87.

June 27. A. M. Hanley paid cash in full of $\frac{1}{2}\%$. Paid Perkins, Parker & Co. cash on $\frac{1}{2}\%$, \$50. Paid Riley & Sons in full of $\frac{1}{2}\%$. Cash sales, \$21.46.

June 28. Sold S. T. James on $\frac{1}{2}\%$ 1 doz. pencils, 50¢; 1 ream paper, \$3; 1 blank book, \$2. Cash sales, \$51.17.

June 30. Paid clerk \$25. Paid rent for June, \$45. Drew for personal expenses, \$50. Sold Paul C. Goodrich on $\frac{1}{2}\%$ 1 ruler, 37¢; 1 box envelopes, \$1.75. Cash sales, \$35.10.

If these transactions are properly written, they will show the following

LEDGER BALANCES.

*Dr.**Cr.*

<i>Cash</i>	<i>783</i>	<i>32</i>		
<i>J. L. Hammond</i>			<i>42</i>	<i>21</i>
<i>Perkins, Parker & Co.</i>			<i>22</i>	<i>60</i>
<i>Paul C. Goodrich</i>	<i>14</i>	<i>47</i>		
<i>S. T. James</i>	<i>41</i>	<i>27</i>		
<i>M. Y. Landon</i>	<i>10</i>	<i>50</i>		
<i>A. B. Carlton</i>	<i>19</i>	<i>05</i>		



A RETAIL DRY AND FANCY GOODS STORE.

The pupil will notice the tempting display of wares for the purpose of attracting the attention of customers. The electric light makes the night as bright as day, and every effort is made to secure the favor of the public.

CHAPTER IV.

FORM III.

SPECIAL FORMS FOR EVERY BUSINESS.

The forms already studied illustrate the principles of single-entry Book-keeping, and are those in actual use among business men.

Every form of business, however, has features peculiar to itself, and the best record is made only by the use of special books and special forms adapted to the business represented.

The form illustrated in this chapter is used by retail dealers in dry and fancy goods that carry on an extensive business, and wish to have an accurate record of all their transactions.

INVOICES.

Commodities are bought of jobbers and manufacturers. They are sent by freight or express to the retailer. An invoice is sent with the goods. As the goods are unpacked, they are compared with the invoice to see if the order is complete and in good condition. If an error has been made in the goods sent, in the prices, or in the terms, the jobber or manufacturer is informed at once, and the mistake is rectified.

When the invoice and commodities agree, the invoice is at once placed on file. There are many methods of doing this. Sometimes the invoices are placed in a book which resembles a scrap-book. Sometimes they are kept in a mechanical clamp. Sometimes they are folded, marked with important minutes, as when due, amount, and discount, and enclosed in rubber bands. Some book-keepers have separate tills, pockets, or envelopes for each month in the year. This method makes it comparatively easy to find the bills which must be paid during any month. Where it is a rule to pay all bills due in any month on a stated day of the month, this is a very convenient way. In the following exercises, the invoices are supposed to be numbered in the order of their receipt, and filed in any convenient way. As each one is numbered, and before it is filed, its number, amount, terms, etc., are entered in the Invoice Register.

The Invoice Register shows a number of important facts: when invoices were received, when they become due, the amount of purchases, and the amount of discounts. Its form is seen on pages 52, 53.

The terms on which goods are sold are indicated on the invoice. 1/10 means "one per cent discount if paid within ten days"; 10/30 means "ten per cent discount if paid within thirty days"; etc.

THE CASH BOOK.

Goods are sold for cash or on account. Accounts are usually paid weekly or monthly; but some may run for a longer time. When goods are sold for cash, the money is put in the cash drawer, and a little slip of paper, with the amount of the sale written upon it is placed in a box or on a spindle. The amount of money received during the day for cash sales should equal the sum of the amounts written on the slips.¹

Cash received on account is put in the cash drawer, and its amount immediately entered on the debit side of the Cash Book in the "account" column. Expenses of every kind are paid in cash from the drawer, or by check on the bank with which the proprietor keeps a deposit, and recorded on the credit side of the Cash Book. At the close of business the money in the drawer is counted, and to its sum is added the amount on deposit in the bank. This gives the total cash on hand.

¹ Errors in the amounts written on the slips, the loss of a slip, or a mistake in making change, will cause disagreement between the actual amount received and the amount recorded on the slips.

To find the amount of cash received for sales, the book-keeper proceeds as follows: He adds the amount of cash on hand at the beginning of the day's business to the amount received during the day from all sources except cash sales. From this amount he takes the amount of cash paid out during the day. This shows how much would have been on hand if there had been no cash sales. Subtracting this remainder from the amount which he finds on hand, he has the actual amount received for cash sales during the day, and enters it accordingly on the debit side of the Cash Book.

Some book-keepers keep the money received for sales in separate cash drawers. In such cases, the cash received for sales is counted by itself.

Other book-keepers regard cash received on account as cash received for sales, and put it into the drawer with a cash slip, at the same time crediting the person from whom it has been received in a Day Book or Ledger.

When cash transactions are few, the Cash Book should be proved every day, and balanced only so often as is convenient.

THE SALES BOOK (A).

Goods sold on account are entered at once in the Sales Book.

The amount of sales, both for cash and on account, is recorded in the Sales Book at the close of business each day.

This Sales Book is posted daily, or as often as is convenient.

THE SALES BOOK (B).

Another method of keeping the Sales Book, practised by book-keepers because of its economy of time and labor, is as follows: When articles are sold on account, their prices are at once entered in the first money columns. If they are paid for during the month, they are marked "paid," and a slip for the amount is deposited with the cash slips. At the close of the month items not paid are carried to the second money columns and posted. When this method is employed, space for principal customers may be reserved on various pages, and only the total charges for the month posted to each individual's account.

THE CHECK BOOK.

Cash is deposited in a bank for safety and for convenience in paying bills. It is drawn out by orders on the bank called checks. Blank checks are bought in books of one hundred or more, and filled out and removed as needed.

At the left of each blank check is a space for recording the principal facts connected with it; its amount, date, payee, etc. In the adjoining money columns a record is kept of all money deposited in the bank, and all money withdrawn.

The slip which contains the memoranda remains when the check is torn out. It is called the "stub." The general form of a Check Book is seen on page 58.

THE LEDGER.

In this form, accounts are opened in the Ledger with all regular customers who buy on account, and with all jobbers of whom we buy on account. The accounts with the jobbers may be omitted if desired, and the Invoice Register relied on for a knowledge of our transactions with them. Accounts with customers who buy infrequently, or whose accounts are open for a short time only, are often kept in a separate book called the "Petty Ledger."

QUESTIONS.

Why are various forms of book-keeping used? To what business is the form illustrated in this chapter particularly adapted? Does it give a complete and accurate record of the business done? How do retailers of dry and fancy goods buy their merchandise? What is sent with the merchandise? What is done on the receipt of the goods and the invoice? If errors are made in the invoice, what is done? What is the first method of filing

invoices? the second? the third? the fourth? In the exercise given in the text-book how are the invoices numbered and filed? What is an Invoice Register? What entries are made in it, and when? What does it show? Describe its form. When goods are sold for cash, where is the money received put? What is the cash-slip? What is done with it? With what should the amount of cash received for sales agree? What errors are likely to occur? What is done with cash received on account? What entry is made? Where is a record made of cash paid out? What beside money is used in paying bills? When the money is counted at night, how do we ascertain the amount which has been received for sales during the day? How is it entered in the Cash Book? How do some book-keepers keep the money received for sales? How do some regard cash received on account? When may the Cash Book not be balanced every day? When it is not balanced, what should be done? For what is the Sales Book used? What is recorded in it? Show how the total sales for each day is recorded in the Sales Book. When is the Sales Book posted?

SECOND METHOD.

Describe in full the second method of keeping the Sales Book. What advantages has it? what disadvantages? How often is it posted? When goods bought in any month are paid for before the end of the month, what is done? What method for abbreviating the labor of posting is described? If the Sales Book is posted once a month, how often may the record of the "total sales" be made? Why is cash deposited in a bank? How is it withdrawn? What is a Check Book? Describe its form. How is the amount of money on deposit at any time shown in the Check Book? What accounts may be omitted from the Ledger? Why? What is a Petty Ledger? For what is it used?

EXERCISE 8.

The following memoranda illustrate the business of Peter C. Bolton, dealer in dry and fancy goods, Wakefield, Mass. : —

Jan. 1, 1890. Cash in First National Bank, \$326.25; cash in the drawer, \$47.25.

The Invoice Register shows the following unpaid bills : —

AMOUNT.	PAYEE.	DATE.	TERMS.
\$37.52,	Shepard, Norwell & Co.,	Dec. 15, 1889,	5/30.
46.05,	Shepard, Norwell & Co.,	Dec. 26, 1889,	1/10.
21.37,	Walker, Stetson, Sawyer Co.,	Dec. 26, 1889,	5/30.
61.40,	Jackson, Mandell & Daniell,	Dec. 30, 1889,	5/30.
37.55,	Coleman, Mead & Co.,	Dec. 24, 1889,	5/30.

The Ledger shows corresponding balances in favor of these jobbers, and the following balances against customers : —

<i>A. B. Clark,</i>	\$ 3.62.
<i>D. Cochrane,</i>	21.42.
<i>F. O. Landon.</i>	39.27.
<i>E. E. Devoll,</i>	21.21.
<i>F. M. Leavitt,</i>	26.42.
<i>L. W. Merriam,</i>	91.21.

The following bills were paid in cash : —

<i>D. Cochrane,</i>	\$ 21.42.
<i>E. E. Devoll,</i>	21.21.
<i>F. M. Leavitt,</i>	26.42.

On this day sold on $\frac{1}{2}$ to S. A. Miles, 1 yd. flannel, 25¢; 2 yds. do. @ 20¢; $\frac{3}{4}$ yd. lace @ 25¢; $\frac{1}{2}$ yd. do. @ 20¢. To J. H. Russell, 1 yd. cambric, 7¢; 7 yds. cotton @ 5¢; 3 yds. silesia @ 18¢. To L. W. Merriam, 4 yds. cotton @ 10¢; 1 pattern, 25¢. To F. M. Leavitt, 1 pr. gloves, 38¢; 1 bottle cologne, 25¢; 1½ yds. hamburg @ 12½¢. To E. E. Devoll, 2 pr. hose @ 25¢, 4 yds. lace @ 35¢, 2 vests @ 25¢. To F. O. Landon, 2 vests @ 30¢, 5 yds. lace @ 25¢. Paid S., N. & Co.'s bill of Dec. 26, less discount. Cash on hand at close of business, \$437.63.

Jan. 2. Charged the following: To D. Cochrane, 1 tie, 37¢; 1 yd. cotton, 5¢. To A. B. Clark, 1 spool basting cotton, 5¢; 2 bones @ 11½¢; 1 yd. cambric, 12¢. To F. M. Leavitt, 1 pr. sleeve buttons, 50¢; 1 pattern, 35¢. To S. A. Miles, 1½ doz. buttons @ 25¢. To J. H. Russell, 1 pr. hose, 50¢. To L. W. Merriam, 1 pr. hose supporters, 25¢. Bought of Coleman, Mead & Co., invoice of goods, \$91.25 on 1/10. Cash on hand at close of business, \$488.84.

Jan. 3. Charges: A. B. Clark, elastic, 5¢; trimming, 19¢. D. Cochrane, 3 yds. crash @ 10¢. F. O. Landon, 1 belt, 25¢; 3 bones @ 12¢. Drew out for personal use, \$20. Cash on hand at close of business, \$530.21.

Jan. 4. Charges: E. E. Devoll, 8 yds. silk braid @ 10¢; 1 yd. cambric, 8¢. F. M. Leavitt, 8 yds. cotton @ 12½¢; ½ yd. linen @ 50¢. L. W. Merriam, 1 net, 5¢; 1½ doz. buttons @ 18¢; 2 yds. cotton @ 9¢. J. H. Russell, remnant of cambric, 13¢; 1 collar, 10¢; 1 pr. gloves, \$1. S. A. Miles, 1 pattern, 25¢; 1½ doz. buttons @ 25¢. E. E. Devoll, 1 pc. braid, 6¢; 1 pattern, 30¢. Paid for services this week, Henry Paul, \$9; Annie C. Rand, \$5. Drew out for personal use, \$15. Cash on hand at close of business, \$592.61.

Jan. 6. Charges: F. O. Landon, 1 spool twist, 5¢; 2 spools silk @ 9¢. D. Cochrane, 1 shirt, \$1. A. B. Clark, 1 skirt, \$1; 1 collar, 25¢; 6 yds. crinoline @ 12½¢. S. A. Miles, 6 spools silk @ 9¢, 4 spools twist @ 5¢. Bought of Jackson, Mandell & Daniell, invoice of goods, 5/30, \$56.25. Paid for advertising, \$15. Cash on hand at close of business, \$622.63.

Jan. 7. Charges: F. O. Landon, 10 yds. cambric @ 6¢, 2 yds. silesia @ 22¢, 8 bones @ 12½¢. E. E. Devoll, 1 pattern, 25¢. Cash on hand at close of business, \$653.88.

Jan. 8. Charges: L. W. Merriam, 6 pcs. tape @ 5¢, 4 towels @ 25¢; yarn and needles, 8¢. J. H. Russell, 1 pr. mittens, 25¢; 2 yds. cotton @ 5¢. S. A. Miles, 4 towels @ 25¢. Cash on hand at close of business, \$695.17.

Jan. 9. Charges: A. B. Clark, 1 tie and pin, \$1.50; 1 shirt, \$1; 3 prs. hose @ 25¢; 3 collars @ 25¢; 1 pr. cuffs, 25¢. D. Cochrane, 3 yds. flannel @ 20¢. Cash on hand at close of business, \$757.58.

Jan. 10. Charges: F. O. Landon, 1 pr. blankets, \$2.50; 4 comforters @ \$2. E. E. Devoll, 3 prs. hose @ 30¢, 6 yds. cotton @ 5¢. Paid C., M. & Co.'s bill due Jan. 12, \$91.25, less 1%. Cash on hand at close of business, \$722.08.

Jan. 11. Charges: F. M. Leavitt, 6 towels @ 25¢; 1 spool thread, 5¢; 4 yds. cambric @ 7¢; 1 mirror, 75¢. L. W. Merriam, 2½ yds. alpaca @ 20¢; 2¼ yds. veiling @ 21¢; 1 pr. gloves, 40¢. Paid clerk-hire, Henry Paul, \$9; Annie C. Rand, \$5. Cash at close of business, \$760.

Jan. 13. Charges: J. H. Russell, 2 yds. flannel @ 20¢, ½ yd. silesia @ 12¢. S. A. Miles, ¾ yd. flannel @ 75¢, 1¼ yds. insertion @ 20¢. Drew out for personal use, \$10. Cash at close of business, \$831.42.

Jan. 14. Charges: A. B. Clark, 1 pr. gloves, 45¢; 2 yds. flannel @ 60¢; 2 prs. drawers @ 50¢. D. Cochrane, 1 pr. gloves, 50¢; 1½ doz. buttons @ 37½¢; 1 yd. cotton, 5¢; 2 prs. drawers @ 50¢. Paid S., N. & Co.'s bill due this day, less 5% discount. Cash on hand at close of business, \$839.51.

Jan. 15. Charges: F. O. Landon, 2 yds. flannel @ 60¢, 2 spools silk @ 10¢, 2 spools twist @ 5¢. 2 sticks braid @ 7¢. E. E. Devoll, 1 yd. ruching, 50¢; 1 pr. hose, 50¢. Cash on hand at close of this day's business, \$850.37.

Jan. 16. Charges: F. M. Leavitt, 1 table cover, \$3; 14 yds. cambric @ 12½¢; 2 prs. hose @ 35¢. L. W. Merriam, 4 comforters @ \$2.25. J. H. Russell, 2 yds. crinoline @ 12¢. Cash on hand at close of business, \$870.97.

Jan. 17. Charges: S. A. Miles, 2 yds. flannel @ 50¢, 3 spools cotton @ 5¢. F. M. Leavitt, 1 pr. gloves, \$1.25. F. O. Landon paid cash on 9%, \$40. Cash on hand at close of business, \$960.27.

Jan. 18. Charges: E. E. Devoll, ¾ yd. elastic @ 10¢; 1 pc. yarn, 3¢; 1½ yds. lace @ 10¢. F. O. Landon, 2 doz. buttons @ 3¢; 3 yds. cambric @ 7¢. Paid clerks in cash, Henry Paul, \$9; Annie C. Rand, \$5. Cash on hand at close of business, \$1000.22.

Jan. 20. Charges: D. Cochrane, 1½ yds. lace @ 37½¢; 1 comb, 15¢. A. B. Clark, 1 pr. mittens,

25¢. Paid Hunt & Babson, express bill for December, \$3.75. Bought of Walker, Stetson, Sawyer Co. at 5/10, invoice mdse., \$141.37. Drew out for personal use, \$15. Cash on hand at close of business, \$1021.46.

Jan. 21. Charges: S. A. Miles, 1 pattern, 37¢; 2 shirts @ 37½¢; 1 pr. drawers, \$1. J. H. Russell, 1 spool silk, 10¢; 1¼ yds. insertion @ 20¢. Paid rent for last quarter of 1889, \$150. L. W. Merriam paid cash on ¼, \$100. Paid C. M. & Co.'s bill for \$37.55 less discount. Cash on hand at close of business, \$1010.21.

Jan. 22. Charges: L. W. Merriam, 1 pc. linen, \$2; 2 prs. hose @ 25¢. F. M. Leavitt, 10 yds. print @ 6¢. Cash on hand at close of business, \$1041.56.

Jan. 23. Charges: F. M. Leavitt, 3 yds. cambric @ 7¢; 1 pc. braid, 7¢. E. E. Devoll, 2 shirts @ 75¢. F. O. Landon, 2 doz. buttons @ 18¢. Paid Walker, Stetson, Sawyer Co. bill of 20th inst. Discount, 5%. Cash on hand at close of business, \$935.21.

Jan. 24. Charges: D. Cochrane, 1 pattern, 35¢; 3 yds. cambric @ 7¢. A. B. Clark, 1½ yds. lace @ 10¢, 2 doz. buttons @ 22¢. Paid W., S., S. Co.'s bill for \$21.37, less discount. Cash on hand at close of business, \$960.02.

Jan. 25. Charges: S. A. Miles, 1 tie, 50¢; 1 pattern, 37¢; 1 spool silk, 8¢. J. H. Russell, 2¼ yds. torchon lace @ 11¢, 1 spool twist, 5¢. A. B. Clark paid \$10 on ¼. Drew out for personal use, \$25. Cash on hand at close of business, \$980.37.

Jan. 27. Charges: L. W. Merriam, ¾ yd. canvas @ 20¢, 2 yds. crinoline @ 14¢. F. M. Leavitt, 2 bones @ 12½¢; 1 vest, 38¢. L. W. Merriam, 1 tie, 75¢. Cash on hand at close of business, \$1015.62.

Jan. 28. Charges: A. B. Clark, 1 pattern, 15¢; 1 pr. gloves, \$1; 1 paper pins, 6¢. D. Cochrane, 1 yd. cambric, 5¢; 2 yds. cotton @ 5¢. F. O. Landon, 3 yds. crinoline @ 14¢; 1 sheet wadding, 5¢; 2 sticks twist @ 5¢. Paid J., M. & D.'s bill for \$61.40, less discount. Cash on hand at close of business, \$976.21.

Jan. 29. Charges: E. E. Devoll, 1½ yds. silesia @ 18¢; 1 pr. hose, 25¢; 2½ yds. crinoline @ 10¢. F. M. Leavitt, 1 pr. gloves, 38¢; 3 doz. buttons @ 37½¢. Cash on hand at close of business, \$1020.14.

Jan. 30. Charges: L. W. Merriam, 12 sheets @ 90¢; 1 pr. hose, 37¢. J. H. Russell, 1 paper needles, 5¢; 1 net, 50¢; 1 veil, 7¢. Cash on hand at close of business, \$1075.21.

Jan. 31. Charges: S. A. Miles, 3 collars @ 20¢; 1 pr. hose, 25¢; 10 yds. cotton @ 10¢. A. B. Clark, 1 pr. gloves, 38¢; 1 comb, 25¢; 1 net, 50¢. D. Cochrane, 1 spool twist, 5¢; 6 yds. cotton @ 8¢. Drew out for personal use, \$25. Cash on hand at close of business, \$1131.42.

The following pages illustrate the Sales Book and Cash Book as they appear at the close of the second day's transactions. The Ledger and Invoice Register are given entire. The pupil should complete the Sales Book and Cash Book, and post them, comparing his results with those shown in the text-book. If the teacher desires, he may require the pupil to re-write the Sales Book in the form designated as "B."

SALES BOOK. EXERCISE 8.

Wakefield, Mass., Jan. 1, 1890.

	<i>S. A. Miles</i>			
	1 yd. Flannel	25		
	2 yds. Flannel @ 20¢	40		
	$\frac{3}{8}$ yd. Lace @ 25¢	09		
55	$\frac{1}{2}$ yd. Lace @ 20¢	10		84
	<i>J. H. Russell</i>			
	1 yd. Cambric	07		
	7 yds. Cotton @ 5¢	35		
55	3 yds. Silesia @ 18¢	54		96
	<i>L. W. Merriam</i>			
	4 yds. Cotton @ 10¢	40		
57	1 Pattern	25		65
	<i>F. M. Leavitt</i>			
	1 pr. Gloves	38		
	1 bottle Cologne	25		
57	$1\frac{1}{2}$ yds. Hamburg @ $12\frac{1}{2}$ ¢	19		82
	<i>E. E. Devoll</i>			
	2 prs. Hose @ 25¢	50		
	4 yds. Lace @ 35¢	1 40		
54	2 Vests @ 25¢	50	2	40
	<i>F. O. Landon</i>			
	2 Vests @ 30¢	60		
54	5 yds. Lace @ 25¢	1 25	1	85
	Total credit sales	7 52		
	Total cash sales	40 67	48	19
Jan. 2	<i>D. Cochrane</i>			
	1 Tie	37		
56	1 yd. Cotton	05		42
	<i>A. B. Clark</i>			
	1 spool Basting Cotton	05		
	2 Bones @ $11\frac{1}{2}$ ¢	23		
56	1 yd. Cambric	12		40
	<i>F. M. Leavitt</i>			
	1 pr. Sleeve Buttons	50		
57	1 Pattern	35		85
	Amount Forward		1	67

Wakefield, Mass., Jan. 2, 1890.

	<i>Amount forward</i>			1 67
	<i>S. A. Miles</i>			
55	<i>1½ doz. Buttons @ 25¢</i>			38
	<i>J. H. Russell</i>			
55	<i>1 pr. Hose</i>			50
	<i>L. W. Merriam</i>			
57	<i>1 pr. Hose Supporters</i>			25
	<i>Total credit sales</i>	2 80		
	<i>Total cash sales</i>	51 21	54 01	

CASH BOOK. EXERCISE 8.

CASH.			Dr.	
1890				
Jan. 1		Balance		373 50
" 1	56	D. Cochrane	21 42	
" 1	54	E. E. Devoll	21 21	
" 1	57	F. M. Leavitt	26 42	69 05
" 1		Sales		40 67
				483 22
Jan. 2		Balance		437 63
		Sales		51 21
				488 84
Jan. 3		Balance		488 84

INVOICE REGISTER.

No.	Payee.	Terms.	Date.		Amount.	
39	Shepard, Norwell & Co.	5/30	Dec.	15	37	52
40	Coleman, Mead & Co.	5/30	"	24	37	55
41	Shepard, Norwell & Co.	1/10	"	26	46	05
42	Walker, Stetson, Sawyer Co.	5/30	"	26	21	37
43	Jackson, Mandell & Daniell	5/30	"	30	61	40
					203	89
44	Coleman, Mead & Co.	1/10	Jan.	2	91	25
45	Jackson, Mandell & Daniell	5/30	"	6	56	25
46	Walker, Stetson, Sawyer Co.	5/10	"	20	141	37

The Invoice Register as shown above is an important book, and though often omitted, it fully pays for the labor of keeping it. The author recommends that it always be kept. It gives much valuable information, and exhibits many important results. A single glance shows what bills are due

LEDGER. EXERCISE 8.

<i>Dr.</i>		F. O. LANDON.				<i>Cr.</i>	
1890					1890		
Jan. 1	Balance		39	27	Jan. 17	Cash	40 00
" "	Mdse.	50	1	85	Jan. 31	Balance	17 34
" 3	Mdse.			61			
" 6	Mdse.			23			
" 7	Mdse.		2	04			
" 10	Mdse.		10	50			
" 15	Mdse.		1	64			
" 18	Mdse.			27			
" 23	Mdse.			36			
" 28	Mdse.			57			
			57	34			57 34
Feb. 1	Balance		17	34			

<i>Dr.</i>		E. E. DEVOLL.				<i>Cr.</i>	
1890					1890		
Jan. 1	Balance		21	21	Jan. 1	Cash	52 21 21
" "	Mdse.	50	2	40	Jan. 31	Balance	8 62
" 4	Mdse.			88			
" "	Mdse.			36			
" 7	Mdse.			25			
" 10	Mdse.		1	20			
" 15	Mdse.		1	00			
" 18	Mdse.			26			
" 23	Mdse.		1	50			
" 29	Mdse.			77			
			8	62			8 62
Feb. 1	Balance		8	62			

<i>Dr.</i>		WALKER, STETSON, SAWYER CO.				<i>Cr.</i>	
1890					1889		
Jan. 23	Cash & Disc't		141	37	Dec. 26	Mdse.	21 37
" 24	Cash & Disc't		21	37	1890		
			162	74	Jan. 20	Mdse.	141 37
							162 74

<i>Dr.</i>		S. A. MILES.				<i>Cr.</i>	
1890					1890		
Jan. 1	Mdse.	50	84	Jan. 31	Balance	10	47
" 2	Mdse.	51	38				
" 4	Mdse.		63				
" 6	Mdse.		74				
" 8	Mdse.		1 00				
" 13	Mdse.		81				
" 17	Mdse.		1 15				
" 21	Mdse.		2 12				
" 25	Mdse.		95				
" 31	Mdse.		1 85				
			10 47			10	47
Feb. 1	Balance		10 47				

<i>Dr.</i>		J. H. RUSSELL.				<i>Cr.</i>	
1890					1890		
Jan. 1	Mdse.	50	96	Jan. 31	Balance	5	01
" 2	Mdse.	51	50				
" 4	Mdse.		1 23				
" 8	Mdse.		35				
" 13	Mdse.		46				
" 16	Mdse.		24				
" 21	Mdse.		35				
" 25	Mdse.		30				
" 30	Mdse.		62				
			5 01			5	01
Feb. 1	Balance		5 01				

<i>Dr.</i>		JACKSON, MANDELL & DANIELL.				<i>Cr.</i>	
1890				1889			
Jan. 28	Cash & Disc't		61 40	Dec. 30	Mdse.	61	40
				1890			
				Jan. 6	Mdse.	56	25

<i>Dr.</i>		A. B. CLARK.				<i>Cr.</i>	
1890					1890		
Jan. 1	Balance		3	62	Jan. 25	Cash	10 00
" 2	Mdse.	50		40	Jan. 31	Balance	6 34
" 3	Mdse.			24			
" 6	Mdse.		2	00			
" 9	Mdse.		4	25			
" 14	Mdse.		2	65			
" 20	Mdse.			25			
" 24	Mdse.			59			
" 28	Mdse.		1	21			
" 31	Mdse.		1	13			
			16	34			16 34
Feb. 1	Balance		6	34			

<i>Dr.</i>		D. COCHRANE.				<i>Cr.</i>	
1890					1890		
Jan. 1	Balance		21	42	Jan. 1	Cash	52 21 42
" 2	Mdse.	50		42	Jan. 31	Balance	6 38
" 3	Mdse.			30			
" 6	Mdse.		1	00			
" 9	Mdse.			60			
" 14	Mdse.		2	11			
" 20	Mdse.			71			
" 24	Mdse.			56			
" 28	Mdse.			15			
" 31	Mdse.			53			
			6	38			6 38
Feb. 1	Balance		6	38			

<i>Dr.</i>		COLEMAN, MEAD & CO.				<i>Cr.</i>	
1890					1889		
Jan. 10	Cash & Disc't		91	25	Dec. 24	Mdse.	37 55
" 21	Cash & Disc't		37	55	1890		
			128	80	Jan. 2	Mdse.	91 25
							128 80

Dr.

F. M. LEAVITT.

Cr.

1890					1890				
Jan. 1	Balance		26	42	Jan. 1	Cash	52	26	42
" 1	Mdse.	50		82	Jan. 31	Balance		15	22
" 2	Mdse.	50		85					
" 4	Mdse.		1	25					
" 11	Mdse.		2	58					
" 16	Mdse.		5	45					
" 17	Mdse.		1	25					
" 22	Mdse.			60					
" 23	Mdse.			28					
" 27	Mdse.			63					
" 29	Mdse.		1	51					
			15	22				15	22
Feb. 1	Balance		15	22					

Dr.

L. W. MERRIAM.

Cr.

1890					1890				
Jan. 1	Balance		91	21	Jan. 21	Cash		100	00
" 1	Mdse.	50		65	Jan. 31	Balance		19	21
" 2	Mdse.	51		25					
" 4	Mdse.			50					
" 8	Mdse.		1	38					
" 11	Mdse.		1	37					
" 16	Mdse.		9	00					
" 22	Mdse.		2	50					
" 27	Mdse.			43					
" 27	Mdse.			75					
" 30	Mdse.		11	17					
			119	21				119	21
Feb. 1	Balance		19	21					

Dr.

SHEPARD, NORWELL & Co.

Cr.

1890					1889				
Jan. 1	Cash & Disc't	53	46	05	Dec. 15	Mdse.		37	52
" 14	Cash & Disc't		37	52	" 26	Mdse.		46	05
			83	57				83	57

NO GOODS TO BE RETURNED.

CLAIMS MUST BE MADE
WITHIN TEN DAYS.

NO EXCHANGE ALLOWED.

Mr. Peter C. Bolton,
Wakefield, Mass.
Boston, Jan. 6, 1890.

BOUGHT OF

*Jackson, Mandell & Daniell,*PAYABLE ONLY
IN N.Y. OR BOSTON FUNDS.

SUMMER AND CHAUNCY STREETS.

Terms Cash.

*S 11**P 222**Sold by 28*

A discount of 5 per cent if paid within 30 days. No discount if not so paid.

320	2	doz. Skirts	9	50	19	00
341	2	" "	12	00	24	00
354	$\frac{1}{2}$	" "	15	00	7	50
374	$\frac{1}{2}$	" "	11	50	5	75
					56	25

Terms *5/30*

GOODS SENT TO DEPOTS OR BY MAIL AT RISK OF PURCHASER.

83 Lincoln St., Boston, Dec. 30, 1889.
Mr. Peter C. Bolton,
Wakefield, Mass.

BOUGHT OF

*Walker, Stetson, Sawyer Co.*Sales *3*Folio *14*Sold by *Smith.*

Importers and Jobbers of Hosiery, Gloves and Underwear.

68	1	doz. Mittens	2	25		
	$\frac{1}{8}$	grs. H. B. Cotton	200	67		
737	2	doz. Collars	75	1	50	
1175	6	pcs. Ruche	18	1	08	
	2	doz. Collars	50	1	00	
135	$\frac{5}{6}$	doz. Wrappers	1200	10	00	
55	2	doz. Hose	225	4	50	
1	3	pcs. Ribbon	12 $\frac{1}{2}$	37		
					21	37
					1	07
					20	30

RECEIVED PAYMENT.

Jan. 24, 1890.

WALKER, STETSON, SAWYER CO.

A. B. Jones.

5%

CHECK BOOK.

Balance	326	25
Deposited.		
	\$	
Total		
Check No. 41		
To S. N. & Co.		
For Mdse. Amount.	45	59

\$45 $\frac{59}{100}$

Wakefield, Mass., Jan. 1, 1890.

The First National Bank
OF WAKEFIELD.

Pay to the order of Shepard, Norwell & Co.

Forty-five and $\frac{59}{100}$ _____ Dollars.

No. 41

PAYABLE THROUGH
BOSTON
CLEARING HOUSE.

Peter C. Bolton.

Balance	280	66
Deposited.		
Jan. 1	\$40	
Jan. 4	100	
Jan. 9	200	340
Total	520	66
Check No. 42		
To C. M. & Co.		
For Mdse. Amount.	90	34

\$90 $\frac{34}{100}$

Wakefield, Mass., Jan. 10, 1890.

The First National Bank
OF WAKEFIELD.

Pay to the order of Coleman, Mead & Co.

Ninety and $\frac{34}{100}$ _____ Dollars.

No. 42

PAYABLE THROUGH
BOSTON
CLEARING HOUSE.

Peter C. Bolton.

Balance	430	32
Deposited.		
	\$	
Total		
Check No. _____		
To _____		
For _____ Amount.		

Wakefield, Mass., _____ 189 _____

The First National Bank
OF WAKEFIELD.

Pay to the order of _____

_____ Dollars.

No. _____

PAYABLE THROUGH
BOSTON
CLEARING HOUSE.

THE ABBREVIATED LEDGER.

Merchants whose business is small often wish to keep their accounts in the method which shall require the least possible labor. Such may dispense with the Sales Book and enter the items at once in the Ledger. Space and time may be further economized by putting debit and credit items in the same column, striking a balance after every change, as indicated in the following accounts.

Here, as everywhere, double lines indicate that all above is closed.

The footings in pencil indicate balances due at close of the month.

The author recommends this form of Ledger as well adapted to the needs of a small business. It is in use by many business men, and its merits predict its wider adoption.

One of its great advantages over the common Ledger is the ease with which it enables the merchant to make out his monthly bills; another, is the fact that the balance is always so quickly found.

It is the method used by many savings banks.

Notice the use to which the page column may be put, as shown in L. W. Merriam's account.

QUESTIONS.

Describe in full the Abbreviated Ledger. What do the double lines show? What advantages has this form of Ledger? Do you see any objections to it? What? Could it be advantageously employed in a large business?

F. M. LEAVITT.

1890			
Jan. 1	To Balance	26	42
" "	By cash	26	42
" "	To 1 pr. Gloves		38
" "	" 1 bot. Cologne		25
" "	" 1½ yds. Hamburg		19
" 2	" 1 pr. Sleeve Buttons		50
" "	" 1 Pattern		35
" 4	" 8 yds. Cotton @ 12½¢	1	00
" "	" ½ yd. Linen @ 50¢		25
" 11	" 6 Towels @ 25¢	1	50
" "	" 1 spool Thread		05
" "	" 4 yds. Cambric @ 7¢		28
" "	" 1 Mirror		75
" 16	" 1 Table Cover	3	00
" "	" 14 yds. Cambric @ 12½¢	1	75
" "	" 2 pr. Hose @ 35¢		70
" "	" 1 pr. Gloves	1	25
" 22	" 10 yds. Print @ 6¢		60
" 23	" 3 yds. Cambric @ 7¢		21
" "	" 1 pc. Braid		07
" 27	" 2 Bones @ 12½¢		25
" "	" 1 Vest		38
" 29	" 1 pr. Gloves		38
" "	" 3 doz. Buttons @ 37½¢	1	13
		15	22

L. W. MERRIAM.

1890			
Jan. 1	Balance	91	21
" "	4 Cotton	10	40
" "	Pattern		25
2	Hose-supporters		25
4	Net		05
" "	1½ Buttons	18	27
" "	2 Cotton	9	18
8	6 Tape	5	30
" "	4 Towels	25	1 00
" "	Yarn and Needles		08
11	2½ Alpaca	20	50
" "	2¼ Veiling	21	47
" "	Gloves		40
16	4 Comforters	2.25	9 00
" "			104 36
" "	Cash		100 00
21	Balance		4 36
" "	pc. Linen		2 00
22	2 Hose	25	50
" "	¾ Canvas	20	15
27	2 Crinoline	14	28
" "	Tie		75
30	12 Sheets	90	10 80
" "	Hose		37
		19	21

The pupil should make a Ledger for Exercise 7 in the above form from the memoranda on pages 47, 48, and 49, and compare his results with those previously obtained.

CHAPTER V.

PARTNERSHIP.

When men unite in conducting a business, the business is called partnership business. The persons uniting are called partners. What each person puts into the business is called his investment. There is usually some agreement as to the manner in which the gains or losses shall be divided.

Each person is to be credited with his investment at the beginning of business, with any further investment, and with his share of gain when found, and debited with anything withdrawn from the business and his share of loss when found.

To ascertain the loss or gain which has been made, we find the difference between the net worth at the beginning and the net worth at the close of the period for which we are finding the gain or loss. For example, Jones & Smith have on hand Jan. 1, 1890, mdse. worth \$3800, and \$500 in cash. Various persons owe them \$2000. They owe \$1500. Their net resources, therefore, are \$4800. On Feb. 1 their mdse. amounts to \$3200, and their cash to \$1000. Parties owe them \$4000. They owe \$5000. Their net worth on the first of February is, therefore, only \$3200, and they have lost \$1500 during the month.

In the following examples find the net worth at the beginning and at the close of the period, and the total gain or loss:—

1. Henry Brown begins business Jan. 1, 1890, with the following assets: Mdse., \$8000; cash, \$2000. Abel Whittier owes him on $\frac{c}{c}$, \$160; Carl Dickens, \$280; Paul Mann, \$390; Henry Clark, \$500. He owes Charles Clifford on $\frac{c}{c}$, \$395; James Jones, \$140; Henry Allen on note, \$3000. At the end of six months he finds his assets and liabilities to be as follows: His mdse. is now \$6000; his cash is \$1500. Charles Clifford owes him \$900; Carl Dickens, \$1600; Paul Mann, \$300; George Mace, \$900. He owes Wm. Whitman on $\frac{c}{c}$ \$850; Henry Allen, \$2500; Charles Bennett, \$1600; William Butler on note, \$500. How much was gained or lost during the period?

The following is a good form in which to put financial statements of this sort:—

<i>Assets Jan. 1, 1890.</i>			
<i>Mdse.</i>		8000	00
<i>Cash</i>		2000	00
<i>Abel Whittier's account</i>		160	00
<i>Carl Dickens's do.</i>		280	00
<i>Paul Mann's do.</i>		390	00
<i>Henry Clark's do.</i>		500	00
<i>Total resources</i>		11330	00
<i>Liabilities Jan. 1, 1890.</i>			
<i>Charles Clifford's account</i>	\$395.00		
<i>James Jones's do.</i>	140.00		
<i>Henry Allen's note</i>	3000.00		
<i>Total liabilities</i>		3535	00
<i>Net worth Jan. 1, 1890</i>			7795 00
<i>Assets Feb. 1, 1890.</i>			
<i>Mdse.</i>		7000	00
<i>Cash</i>		3000	00
<i>A. Whittier's account</i>		200	00
<i>Total resources</i>		10200	00
<i>Liabilities Feb. 1, 1890.</i>			
<i>Henry Allen's note</i>		3000	00
<i>Net worth Feb. 1, 1890</i>			7200 00
<i>Net loss during the month</i>			595 00

When the business is a partnership, the balances of the proprietors' accounts should be included with the liabilities, for the business owes these balances to them. The net worth of the business is shown by the sum of the partners' balances after the gain has been added, or the loss subtracted.

2. Henry Allen and George Mace engage in business. April 1, 1890, Allen puts in mdse., \$5000; cash, \$1000; and the following accounts: Charles Bennett, \$500; William Butler, \$300. The firm assumes to pay for him the following debts: Frank Carter, \$320; William Kingsley, \$190. Mace invests \$8000 cash. At the end of three months they find their assets to be as follows: Mdse., \$3000; cash, \$1800. Samuel Rice owes them on $\frac{a}{c}$, \$1900; Nicholas Currier, \$1200; William Goodwin on note, \$2000; Frank Carter on note, \$5000. They owe William Butler on account \$250; Ernest Cate, \$140. What was the net investment of each at the beginning? What was the net gain or loss during the quarter? What was the net investment of each July 1st?

The statement may be as follows. "Old balance" means balance without loss or gain; "new balance" means balance with loss or gain.

Boston, April 1, 1890.

<i>Mdse.</i>	<i>Resources.</i>	5000	00		
<i>Cash</i>		9000	00		
<i>Charles Bennett's account</i>		500	00		
<i>William Butler's do.</i>		300	00		
<i>Total resources</i>		14800	00		
	<i>Liabilities.</i>				
<i>Frank Carter's account</i>	\$320.00				
<i>William Kingsley's do.</i>	190.00				
<i>Henry Allen's do.</i>	6290.00				
<i>George Mace's do.</i>	8000.00				
<i>Total liabilities</i>		14800	00		
<i>Net worth April 1</i>	14290.00			14290	00
	<i>July 1, 1890.</i>				
<i>Mdse.</i>	<i>Resources.</i>	3000	00		
<i>Cash</i>		1800	00		
<i>Samuel Rice's account</i>		1900	00		
<i>Nicholas Currier's do.</i>		1200	00		
<i>William Goodwin's note</i>		2000	00		
<i>Frank Carter's do.</i>		5000	00		
<i>Total resources</i>		14900	00		
	<i>Liabilities.</i>				
<i>William Butler's account</i>	\$250.00				
<i>Ernest Cate's do.</i>	140.00				
<i>Henry Allen's do.</i>	6290.00				
<i>George Mace's do.</i>	8000.00				
<i>Total liabilities</i>		14680	00		
<i>Net gain</i>		220	00		
<i>Henry Allen's gain \$110</i>					
" " <i>old balance</i>	\$6290				
" " <i>new balance</i>	6400.00				
<i>George Mace's gain \$110</i>					
" " <i>old balance</i>	\$8000				
" " <i>new balance</i>	8110.00				
<i>Net worth July 1</i>	14510.00			14510	00
<i>Net gain (as above)</i>				220	00

3. Peter Barnes and Paul Clark enter business together Jan. 1, 1890, with the agreement that they are to share losses and gains equally. Barnes invests cash, \$10,000. Clark invests cash, \$300; mdse., \$3500; Gilbert Pierce's account, \$840; John Stinson's account, \$1900; George Martin's account, \$1800; James Nutter's note, \$1600. Feb. 1 they go out of business, as it has been unprofitable. They find their assets and liabilities to be as follows: Cash, \$3100; various notes receivable, \$4800; various accounts receivable, \$9700. They owe one note of \$1000. What was the entire loss? What was each partner's share of the loss? What is each man's share in the business? If Barnes takes all of the accounts as his share of the business, how much should he pay Clark, who takes the cash and the notes?



A RETAIL GROCERY AND PROVISION STORE.

The pupil will notice the orderly arrangement of everything offered for sale. Teas, coffees, crackers, canned goods, etc., have each their appropriate places. Shelves are loaded to the ceiling with supplies of every kind. In the distance, dimly shown in the cut, is the book-keeper's desk, with the cash railway leading to it. On the right, near the centre of the room, is the large refrigerator where butter and cheese are kept. The room is heated by steam, and lighted by gas and electricity.

CHAPTER VI.

FORM IV.

We describe in this form the books used in a retail grocery and provision business.

Goods are bought of jobbers and manufacturers, and invoices are received with all purchases. All that is said of invoices in Form III. applies to the invoices given in this set.

As in the dry goods business, there is usually a discount from the face of an invoice when it is settled promptly, and the successful merchant must always "save his discounts." Frequently there is an additional discount for very prompt payment. A bill marked 5/30 (five per cent discount, if paid within thirty days) has usually six per cent discount if paid within ten days. The Invoice Register is therefore kept in the same manner as in Form III.

Commodities are also bought for cash, especially from market gardeners.

Goods are sold for cash and on account.

Cash sales made in the store are recorded like the cash sales in Form III. The amount of the sale is written on a cash slip or slate at the time of the sale, and the money is put in the cash drawer.

Many of the goods sold are delivered at the homes of the purchasers. All orders for goods to be thus delivered are first recorded in

ORDER BOOKS.

The Order Book is ruled as shown on page 72, and is about four inches wide and thirteen inches long. One or more of these books is kept in the store, and the items with prices are entered as the order is given. If the goods are paid for when ordered, the word "Paid" is written at the left of the order. The various orders need to be prepared or "put up" for delivery and marked with the name of the person to whom they are to be delivered. As each article is put up, a check mark is made in the Order Book at the left of its record. All articles that go to the same person are put in the same box, basket, or package. They are then placed in a delivery wagon and carried to their destination.

Orders are taken also by salesmen who visit customers at regular intervals, usually on every morning. They carry an Order Book with them and make the same entry as if the order were given at the store. If the business is extensive, several men are required for this purpose. Usually the person who takes the orders puts them up and delivers them. He will therefore need an Order Book with him nearly all the time. As the book-keeper may need to use the Order Book at the same time as the salesman, it is well to have two Order Books for each "route" and two or more for the store. These may be used on alternate days, numbers *one, three, five*, etc., being used by the clerks on Monday, Wednesday, and Friday; numbers *two, four, six*, etc., on Tuesday, Thursday, and Saturday. On alternate days they are in the hands of the book-keeper, who makes the charges in his Ledger directly from the record of the salesmen. When the business is small, the Order Books may be left with the book-keeper in the afternoon of each day, and only one will be required for a route and one for the store. Some merchants require their salesmen to copy their charges into a Day Book, and the Day Book only is given to the book-keeper. This method entails additional labor and increases the liability to error in the record. It has the advantage of requiring but one Order Book for each route.

CASH

is received at the counter or cashier's desk in payment for goods that are paid for when they are ordered, and in payment for goods sold on account. It is also received for the same purposes by the salesmen as they take orders or deliver goods at the residences of their customers.

Cash received at the counter or desk in partial or full payment of an account is placed in the cash drawer, and the proper entry is at once made in the Cash Book.

Cash on account received by a salesman on his route is entered in the Order Book and in a Petty Cash Book which he carries with him. When he returns from his route he hands the money which he has collected, with his Petty Cash Book, to the book-keeper, who audits his account and makes the proper credits in the Ledger. The object of recording in the Order Book the cash received on the route is to preserve a record if the Petty Cash Book should be lost.

Cash for goods received by a salesman on his route when the goods are delivered is entered in his Petty Cash Book, and the order in the Order Book is marked "Paid." The book-keeper receives this as a part of cash sales and makes the proper entry on a cash slip or slate.

Cash paid to customers on the return of goods requires no record in the Cash Book. It diminishes the cash sales for the day.

When merchandise is exchanged for other merchandise, and a balance in cash is paid or received, the money so paid is recorded as paid for merchandise, and the money so received is treated as a cash sale.

When goods that have been charged to a customer are returned, the customer is credited in the Sales Book.

In this form, as in the preceding one, the accounts with jobbers and producers and the Invoice Register may be omitted.

QUESTIONS.

To what business is this form adapted? How do grocers and provision dealers procure their goods? What is said of discount for prompt payment? How are the "terms" of a bill generally expressed on an invoice? (See page 45.) Describe the Order Book. When goods ordered at the store are paid for at the time of the order, and are to be delivered by the dealer, what entry is made in the Order Book? What mark is made when the goods are put up for delivery? Why are several Order Books usually necessary? Explain why it is often wise to use a different set of Order Books on alternate days. From what two books does the book-keeper make the charges in his Ledger? (Ans. From the Sales Book and Cash Book.) From what two books does he make the credits in the Ledger? (Ans. From the Sales Book and the Invoice Register.) What record is made of cash received at the counter for goods delivered at once to the customer? of cash received at the counter on account? of cash received on account by a salesman on his route? of cash received for goods when they are delivered? What is the use of the Petty Cash Book? of the record in the Sales Book of cash received on account? When goods are returned, what record is made? What record is made of cash paid at the residence of a customer for mdse. on delivery? of cash paid to customers for goods returned? What cash transaction may properly be left without record in the Cash Book? What accounts may be omitted from the Ledger? When merchandise is paid for partly or wholly by merchandise from the store, what only is recorded? What book may be omitted? What entry is made when goods are returned that have been charged to a customer?

Note to the Teacher.— Explain to pupils such other varieties of the Ledger, Cash Book, and Order Book as the custom of dealers in your vicinity may suggest. Some merchants prefer to use a Ledger ruled like a Cash Book, with the entries short-extended as in the grocery bill on page 85. Some use different marks in the Sales Book to indicate that charges have been posted. Show what form the Order Book should have when a separate Day Book is used. Have the pupils write their Cash Book in several different forms, and determine what one is best.

EXERCISE 9.

Charles J. Sawyer was a dealer in groceries and provisions in Munson, Mass. On Jan. 1, 1890, he took into partnership with himself Paul C. Pratt and Henry O. Lyman.

Sawyer invested in the new firm store-fixtures, horses, wagons, etc., valued at \$1500; his stock on hand, valued by appraisers at \$2438.20; and accounts against customers as follows:—

<i>Samuel C. Tower,</i>	\$36.42.	<i>John C. Chase,</i>	\$40.73.
<i>Henry Alexander,</i>	21.39.	<i>D. A. Murdock,</i>	8.29.
<i>J. A. Drown,</i>	15.49.	<i>James Wilson,</i>	31.36.
<i>G. W. Smith,</i>	29.61.	<i>Wm. P. Rogers,</i>	92.16.
<i>Charles Sylvester,</i>	69.37.	<i>L. W. Day,</i>	29.92.
<i>Martin Fletcher,</i>	146.26.	<i>W. H. Dunn,</i>	10.45.
<i>Nathaniel Corning,</i>	12.21.	<i>Peter G. Wilder,</i>	19.09.
<i>Moses White,</i>	16.20.		

The firm agree to pay for him the following liabilities, viz. : —

Hall & Hubbard's bill of Dec. 5, marked 10/30, for \$46.39.
Jones, Cartwright & Co.'s bill of Dec. 10, marked 5/30, for \$121.62.
Bicknell, Cobb & Co.'s bill of Dec. 18, marked 5/30, for \$76.18.
Stevens & Bates' bill of Dec. 27, marked 1/10, for \$91.40.
R. C. Solomon's bill of Dec. 29, marked 10/30, for \$81.56.

Pratt invests \$2500 in cash, and Lyman does the same. Sawyer is to draw \$125 per month; the other partners are to draw \$100 each per month. They share losses and gains equally.

Sawyer has charge of the finances of the business, and does the buying; Lyman has charge of the provisions; and Pratt has charge of the groceries.

They employ three salesmen, James T. Bissell, Edward S. Thompson, and Eugene C. Sleeper, and one book-keeper and cashier, Mary O. Hanson. The salesmen have a salary of \$15 per week, the book-keeper has \$10 per week.

They divide their regular customers into three sections, and one salesman is assigned to each section. The salesmen visit all their customers every morning, return to the store to put up their orders, and deliver the goods as soon as possible. In the afternoon they put up and deliver goods which have been ordered since morning, and sell to customers who come to the store for goods.

Eight Order Books are kept: *Nos. 1 and 2*, for the "North End" route; *Nos. 3 and 4*, for the "South End" route; *Nos. 5 and 6*, for the "East Side" route; *Nos. 7 and 8*, for the store. *Nos. 1, 3, 5, and 7* are used on Monday, Wednesday, and Friday, and on other days are in the hands of the book-keeper. *Nos. 2, 4, and 6* are used on Tuesday, Thursday, and Saturday, and on other days are in the hands of the book-keeper. Each salesman carries a petty Cash Book which he keeps in pencil, recording in it all his cash transactions on account of the business.

The book-keeper has charge, under Mr. Sawyer, of the Ledger, Cash Book, Invoice Register, invoices, and cash, makes out bills, pays and receipts bills, makes change, and conducts a part of the correspondence.

The most of the cash is kept in the First National Bank of Munson; the remainder is kept in the drawer during the day, and in the safe with account books and valuable papers during the night.

Checks are usually filled out by the book-keeper, but they are signed for the firm by Mr. Sawyer only.

The following memoranda cover ten days only, and are necessarily few. They represent only a small part of the business, but they fully illustrate the method of recording all the transactions.

At the close of the first week the condition of the business is shown, and the gain is found and entered in the proprietors' accounts. The student will find the gain during the second week and close that into the proprietors' accounts. The gain during the second week may be found by a careful inspection of the Ledger as given. The student should make a careful statement of assets and liabilities at the close of the second week, similar to that given for the close of the first week's business.

In actual business, losses and gains are usually ascertained only at the close of the year.

The Invoice Register is not shown, but should be carefully written by the pupil.

Wednesday, Jan. 1, 1890. Deposited \$4800. Paid Hall & Hubbard's bill of Dec. 5, by check.

Bought of Bell & Roberts their entire stock of provisions and groceries for \$3700. Paid by check. Paid cash to Henry Adams for vegetables, \$31.42; to Smith and Jones for oysters, 60¢. Bought of John Drinkwater, 5 doz. eggs @ 18¢. Gave in exchange 6 cans tomatoes @ 12¢; balance in cash.

The following orders are taken on North End route. Samuel C. Tower, 1 can baking powder, 50¢; sweet potatoes, 25¢; $\frac{1}{2}$ pk. potatoes, 13¢. Tower pays \$30 on $\frac{1}{2}\%$. Henry Alexander, 1 bunch celery, 15¢; 1 qt. milk, 8¢. G. W. Smith, 2 lbs. butter @ 33¢; 3 lbs. salt pork @ 10¢; 2 qts. beans @ 10¢. Charles Sylvester, 5 lbs. sugar @ 7 $\frac{1}{2}$ ¢; 1 yeast cake, 2¢; 1 lb. pulverized sugar, 12¢; apples, 25¢.

The following orders are taken on the South End route. Martin Fletcher, 1 $\frac{3}{4}$ lbs. rump steak @ 25¢; 1 lb. soda, 10¢. Nathaniel Corning, soup beef, 15¢; 1 qt. pickles, 15¢; 1 can tomatoes, 12¢; $\frac{1}{2}$ pk. apples, 20¢. Moses White, 1 $\frac{1}{2}$ lbs. lamb chop @ 25¢; 10 lbs. sugar @ 7 $\frac{1}{2}$ ¢. John C. Chase, 1 lb. veal steak, 25¢; 5 lbs. squash @ 3¢. D. A. Murdock, 3 pts. oysters, 60¢.

The East Side Order Book contains the following orders: James Wilson, 12 eggs, 30¢. Wilson pays cash on $\frac{1}{2}\%$, \$31.36. William P. Rogers, 1 gal. oil, 13¢; 2 bars soap @ 5¢; 1 lb. cheese, 16¢. L. W. Day, 4 lbs. sugar @ 7 $\frac{1}{2}$ ¢; $\frac{1}{2}$ lb. tea, 30¢; 2 $\frac{1}{2}$ lbs. pork steak @ 10¢. W. H. Dunn, 5 $\frac{1}{2}$ lbs. corned beef @ 10¢. Peter G. Wilder, 1 qt. pea beans, 10¢; $\frac{3}{4}$ lb. fat pork, 8¢; matches, 5¢.

Order Book No. 7, kept at the store, receives the following orders on account: Henry Alexander, 1 pkg. white oats, 10¢. J. A. Drown, $\frac{1}{2}$ lb. coffee, 17¢; 1 lb. evaporated apple, 10¢; 1 qt. pea beans, 10¢; 1 lb. soda crackers, 16¢; 2 lbs. lard @ 10¢. It also contains the following, paid for when ordered: A. E. Chase, 13 Forest St., 2 lbs. butter @ 33¢; 6 $\frac{1}{4}$ lbs. corned beef @ 12¢; turnips, 5¢; sweet potatoes, 50¢; 1 lb. salt pork, 10¢; 1 $\frac{1}{4}$ lbs. ham @ 20¢. H. E. Stone, 37 Webster St., 1 pk. Baldwin apples, 40¢; 1 lb. coffee, 33¢. A. C. Cooper, 19 Maple St., 2 $\frac{1}{2}$ lbs. mutton chop @ 25¢; 8 lbs. soup bone @ 7¢. Alvin Brown, 17 Pine St., 1 pk. potatoes, 25¢; 6 lbs. ham @ 15¢; 6 $\frac{1}{2}$ lbs. squash @ 3¢; 1 yeast cake, 2¢; 12 eggs, 30¢; 6 lemons, 13¢.

Amount of cash on hand at close of business, \$1363.73.

Thursday, Jan. 2, 1890. Order Book No. 2 contained the following orders, etc.: Samuel C. Tower, 2 lbs. rice @ 5¢; 4 lbs. Indian meal @ 3¢; 1 lamp chimney, 10¢. Henry Alexander, 1 yeast cake, 2¢; 2 lbs. prunes @ 15¢. J. A. Drown, 1 lb. lamb chop, 25¢. Charles Sylvester, 1 bg. Haxall flour, \$1. Sylvester paid cash on $\frac{1}{2}\%$, \$69.37.

Order Book No. 4 contains the following orders, etc.: Martin Fletcher, sugar, \$1; pkg. rolled oats, 12¢; 2 $\frac{1}{2}$ lbs. butter @ 33¢; 1 pkg. bird seed, 10¢. Moses White, 24 oranges, 50¢; beef for tea, 10¢. John C. Chase, 1 yeast cake, 2¢; 2 $\frac{1}{2}$ lbs. lamb for broth @ 20¢; $\frac{1}{2}$ lb. dried beef, 15¢. D. A. Murdock, 1 $\frac{1}{2}$ lbs. rump steak @ 25¢; 1 gal. oil, 13¢.

Order Book No. 6 contains the following orders, etc.: James Wilson, 6 eggs, 15¢; 1 $\frac{1}{2}$ lbs. steak @ 25¢; 4 lbs. soup bone @ 5¢. William P. Rogers paid \$75 on $\frac{1}{2}\%$. L. W. Day, 5 lbs. sugar @ 7 $\frac{1}{2}$ ¢; 1 pkg. cinnamon, 10¢; W. H. Dunn, $\frac{1}{2}$ lb. tea, 30¢; 6 eggs, 15¢; 1 pt. milk, 4¢. Peter G. Wilder, 2 lbs. butter @ 33¢; 3 lbs. salt pork @ 10¢; 2 qts. pea beans @ 10¢; 5 lbs. sugar @ 7 $\frac{1}{2}$ ¢; 1 yeast cake, 2¢.

Order Book No. 8 contains the following orders, etc.: G. W. Smith on $\frac{1}{2}\%$ 2 doz. eggs at 23¢, 10 lbs. sugar @ 7 $\frac{1}{2}$ ¢. Moses White on $\frac{1}{2}\%$, apples, 25¢; 3 lbs. porter house steak @ 33¢. Henry Horne, 39 Maple St., cash, sugar, \$1; 1 lb. soda, 8¢; 2 doz. eggs @ 23¢. Paul C. Dombey, 18 Essex St., cash, 2 qts. pea beans @ 10¢, 2 qts. cranberries @ 15¢. Daniel C. Hooper, 326 Main St., cash, 6 lbs. lamb @ 16¢, 2 lbs. butter @ 33¢. Mrs. Cutting, 96 Harvard St., cash, 1 bbl. flour, \$7.50.

Bought of R. C. Solomon, 1/10, invoice of groceries, \$140.46. Paid Stevens & Bates, by check, their bill of Dec. 27. Paid cash to John Sleeper for new cheese safe, \$20. Cash on hand at close of business, \$1429.12.

Friday, Jan. 3, 1890. Order Book No. 1 contains the following orders, etc.: Henry Alexander, 1 gal. oil, 13¢; $\frac{1}{2}$ lb. dried beef, 15¢. Alexander paid cash, \$21.39.

J. A. Drown, 6 lbs. squash @ 3¢, 1 $\frac{1}{2}$ lbs. rump steak @ 25¢. Charles Sylvester returned the flour bought yesterday, and ordered 8 lbs. sugar @ 7 $\frac{1}{2}$ ¢; 1 doz. eggs, 30¢.

Order Book No. 3 contains the following orders, etc.: Martin Fletcher pays \$100 on $\frac{1}{2}\%$, and orders 1 bbl. flour, \$7.50; 1 bu. potatoes, \$1.20. John C. Chase, $1\frac{1}{2}$ lbs. steak @ 25¢, 5 gals. oil @ 15¢. D. A. Murdock, 1 lb. sausage, 10¢; 4 lbs. dog meat @ 5¢.

Order Book No. 5 contains the following orders, etc.: L. W. Day, 5 lbs. butter @ 33¢, 2 lbs. pulverized sugar @ 12¢. W. H. Dunn, $3\frac{1}{2}$ lbs. chicken @ 20¢. Dunn pays cash on $\frac{1}{2}\%$, \$10.45. Peter G. Wilder, $1\frac{1}{2}$ lbs. dates @ 10¢; 1 bu. apples, \$1.50.

Order Book No. 7 contains the following orders, etc.: William P. Rogers brings an order from Martin Fletcher for goods to value of \$50. (See page 90 for the wording of this order. Such orders should be preserved carefully, and require two Ledger entries. Find them, and state why the record should be as it is.) Rogers orders on $\frac{1}{2}\%$ 3 lbs. salt pork @ 10¢; 2 qts. pea beans @ 10¢; 1 yeast cake, 2¢. H. S. Abbott, 27 Cortland St., cash, 2 lbs. steak @ 25¢, 5 lbs. lard @ 12¢. Henry Wood, 26 Middle St., cash, 1 pk. Baldwin apples, 40¢.

During the day Mr. Sawyer drew \$27 in cash for his own use, and the cashier paid a laundry bill of 50¢ for Mr. Pratt. Cash on hand at close of business, \$1639.67.

Saturday, Jan. 4, 1890. Order Book No. 2 contains the following orders, etc.: S. C. Tower, 1 bbl. flour, \$7; $1\frac{1}{2}$ lbs. veal steak @ 20¢. Henry Alexander, slice ham, 20¢; 1 qt. milk, 8¢; 1 broom, 30¢; $\frac{1}{2}$ lb. cheese, 8¢. Charles Sylvester, 4 qts. onions @ 5¢. G. W. Smith pays \$20 on $\frac{1}{2}\%$.

Order Book No. 4 contains the following orders, etc.: Nathaniel Corning, 1 lb. coffee, 35¢; 1 pk. potatoes, 25¢. Moses White, 1 yeast cake, 2¢. John C. Chase, 3 lb. pail lard, 39¢; 1 lb. cheese, 16¢; 1 gal. oil, 13¢. D. A. Murdock pays cash on $\frac{1}{2}\%$, \$8.29.

Order Book No. 6 contains the following orders, etc.: James Wilson, 6 lbs. corned beef @ 12¢; 1 qt. beets, 5¢; 5 lbs. squash @ 3¢. W. P. Rogers, 1 gal. oil, 13¢; 1 qt. molasses, 17¢; 1 pt. maple syrup, 15¢. L. W. Day, $1\frac{1}{2}$ lbs. butter @ 33¢; 1 lb. pork, 10¢; 1 lb. coffee, 33¢. W. H. Dunn, 1 qt. beans, 10¢; 1 lb. salt pork, 10¢; 1 can salmon, 20¢. Peter G. Wilder, 1 can corn, 15¢; 12 oranges, 25¢; 12 bananas, 30¢; 1 lb. Malaga grapes, 20¢. Wilder pays cash on $\frac{1}{2}\%$, \$19.09.

Order Book No. 8 contains the following orders, etc.: John C. Chase on $\frac{1}{2}\%$, 1 bbl. flour, \$7.50. Peter Maney, 18 Washington St., cash, 2 cans tomatoes @ 12¢; 1 can corn, 15¢; 12 oranges, 25¢.

John C. Chase paid \$25 on $\frac{1}{2}\%$. Salesmen and book-keeper were paid their salary for the past four days. Cash on hand at close of business, \$1818.67. Mdse. on hand, \$6082.22.

Monday, Jan. 6, 1890. Order Book No. 1 contains the following orders, etc.: Samuel C. Tower, 1 jar raspberry jam, 25¢; 1 can tomatoes, 12¢; $\frac{1}{2}$ lb. graham crackers, 10¢. Henry Alexander, 1 can corn, 15¢; 2 lbs. onions @ 6¢; 1 gal. oil, 13¢; $6\frac{1}{2}$ lbs. beef @ 10¢. Charles Sylvester, 1 lb. coffee, 33¢; 1 yeast cake, 2¢; 1 doz. oranges, 35¢.

Order Book No. 3 contains the following orders, etc.: Nathaniel Corning, $2\frac{1}{2}$ lbs. mutton chop @ 25¢; 3 lbs. steak @ $33\frac{1}{3}$ ¢; $1\frac{1}{2}$ lbs. pork @ 25¢. D. A. Murdock, $\frac{1}{2}$ pk. potatoes, 13¢; 3 gals. oil @ 13¢. James Wilson, $1\frac{1}{2}$ lbs. lamb chop @ 25¢; 1 yeast cake, 2¢.

Order Book No. 5 contains the following orders, etc.: W. H. Dunn, 1 pk. potatoes, 25¢; 1 can corn, 15¢; 2 lbs. rump steak @ 25¢.

Order Book No. 7 contains the following orders: L. W. Day on $\frac{1}{2}\%$, 6 lbs. squash @ 4¢; 1 lb. butter, 33¢; 1 lb. sausage, 12¢. Day paid cash on $\frac{1}{2}\%$, \$25.

Paid Jones, Cartwright & Co.'s bill of Dec. 10. Bought of Hall & Hubbard, @ 5/30, invoice of meats, \$51.46. Cash on hand at close of business, \$1803.88.

Tuesday, Jan. 7, 1890. Order Book No. 2 contains the following orders: S. C. Tower, $1\frac{1}{4}$ lbs. corned beef @ 12¢; 1 yeast cake, 2¢; 1 pk. potatoes, 25¢. Henry Alexander, 3 pts. pea beans, 15¢; 1 lb. salt pork, 10¢. J. A. Drown, 1 gal. oil, 13¢. G. W. Smith, $1\frac{1}{2}$ lbs. pork steak @ 10¢; 1 pk. potatoes, 25¢. Charles Sylvester, 1 lb. coffee, 35¢.

Order Book No. 4 contains the following orders: Martin Fletcher, 1 qt. milk, 8¢; 2 qts. apples, 10¢. N. Corning, 1 broom, 30¢; $\frac{1}{2}$ lb. cheese, 8¢. D. A. Murdock, 4 qts. onions @ 5¢; $3\frac{1}{2}$ lbs. chicken @ 20¢.

Order Book No. 6 contains the following orders: James Wilson, 6 lbs. corned beef @ 12¢; 1 gal.

oil, 13¢. W. P. Rogers, $\frac{1}{4}$ lb. pepper, 10¢; 1 qt. vinegar, 4¢. L. W. Day, soup beef, 10¢; 1 lb. coffee, 35¢.

Order Book No. 8 contains the following orders, etc.: W. H. Dunn on $\frac{1}{c}$, 2 doz. oranges @ 25¢. H. E. Stone, 37 Webster St., cash, 1 bbl. flour, \$7.50.

J. A. Drown paid cash on $\frac{1}{c}$ \$15.49. Bought for cash 25 bu. potatoes @ 85¢. Paid for advertising in Munson Mirror, \$8.75. Cash on hand at close of business, \$1885.80.

Wednesday, Jan. 8, 1890. Order Book No. 1 contains the following orders: J. A. Drown, 1 chimney, 10¢; $\frac{1}{4}$ lb. pepper, 10¢; 1 bottle olives, 42¢. G. W. Smith, 1 cake sand soap, 8¢; 1 pkg. soapine, 12¢.

Order Book No. 3 contains the following orders: Nathaniel Corning, $1\frac{1}{4}$ lbs. ham @ 20¢; 1 pk. Baldwin apples, 40¢. Moses White, 5 lbs. soup bone @ 7¢; 1 bbl. flour, \$6.75. D. A. Murdock, 2 cans tomatoes @ 12¢; 1 can corn, 15¢; 2 lbs. rump steak @ 25¢; 1 doz. oranges, 25¢.

Order Book No. 5 contains the following orders: W. H. Dunn, $\frac{1}{2}$ lb. soda crackers, 8¢; $4\frac{1}{2}$ lbs. leg lamb @ 18¢; 1 doz. oranges, 25¢; 1 qt. oysters, 60¢. Peter G. Wilder, 1 can baking powder, 50¢; 1 doz. eggs, 33¢.

Order Book No. 7 contains the following orders: A. C. Cooper, 19 Maple St., cash, 1 lb. currants, 25¢; 2 lbs. mutton chop @ 25¢. Alvin Brown, 17 Pine St., cash, 1 head lettuce, 10¢; 1 lb. steak, 25¢.

Paid Henry Dutton cash for vegetables, \$18.72. Paid Smith & Co. cash for oysters, 60¢. Cash on hand at close of business, \$1937.95.

Thursday, Jan. 9, 1890. Order Book No. 2 contains the following orders: Henry Alexander, $3\frac{1}{2}$ lbs. corned beef @ 12¢; 1 doz. eggs, 25¢. J. A. Drown, 5 lbs. sugar @ $7\frac{1}{2}$ ¢; 1 can cocoa, 35¢. G. W. Smith, $1\frac{1}{2}$ lbs. lamb chop @ 25¢.

Order Book No. 4 contains the following orders: Martin Fletcher, 1 pk. salt, 15¢; 1 lb. coffee, 33¢; 1 yeast cake, 2¢. Nathaniel Corning, $\frac{3}{4}$ lb. ham, 15¢; $2\frac{1}{2}$ lbs. lamb chop @ 25¢. Moses White, 1 pk. potatoes, 25¢; 1 doz. oranges, 35¢. John C. Chase, 1 pkg. starch, 10¢; piece meat for stew, 10¢; 1 can corn, 15¢. D. A. Murdock, $1\frac{1}{2}$ lbs. butter @ 33¢; 1 lb. cheese, 16¢.

Order Book No. 6 contains the following orders: James Wilson, 3 lemons, 5¢; 1 pt. milk, 4¢; $\frac{1}{2}$ bu. potatoes, 45¢. W. H. Dunn, 1 doz. eggs, 35¢; Peter G. Wilder, $1\frac{1}{4}$ lbs. salt pork @ 10¢; $\frac{1}{4}$ lb. cream of tartar, 15¢.

Order Book No. 8 contains the following order: Charles P. Greaton, 37 Mulberry St., cash, 1 lb. macaroni, 15¢; 10 lbs. sugar @ $7\frac{1}{2}$ ¢.

Cash on hand at close of business, \$2018.26.

Friday, Jan. 10, 1890. Order Book No. 1 contains the following orders: G. W. Smith, 1 pk. potatoes, 25¢; 1 can corn, 15¢; 2 lbs. rump steak @ 25¢. Charles Sylvester, 6 lbs. squash @ 4¢; 1 lb. butter, 33¢.

Order Book No. 3 contains the following orders, etc.: Nathaniel Corning, 3 gals. oil @ 13¢; 1 loaf bread, 5¢. Corning paid cash on $\frac{1}{c}$, \$12.21. Moses White, 1 doz. oranges, 25¢; 1 pkg. rolled oats, 12¢. White paid cash on $\frac{1}{c}$, \$16.20.

Order Book No. 5 contains the following orders: James Wilson, 3 lbs. butter @ 35¢; 1 doz. eggs, 40¢. W. P. Rogers, 2 lbs. steak @ 25¢; 1 yeast cake, 2¢. L. W. Day, 1 pt. oysters, 30¢; 1 lb. crackers, 12¢. W. H. Dunn, 1 pk. potatoes, 25¢; 1 lb. salt pork, 10¢.

Order Book No. 7 contains the following order: A. C. Cooper, 19 Maple St., cash, 1 bu. potatoes, 85¢.

Paid P. C. Brown cash for a loaf of bread, 5¢. Paid Smith & Co. for 1 pt. oysters, 30¢. Cash on hand at close of business, \$2109.37.

Saturday, Jan. 11, 1890. Order Book No. 2 contains the following orders: S. C. Tower, 1 can salmon, 20¢; 2 lbs. butter @ 33¢. Henry Alexander, 1 qt. milk, 8¢; 6 eggs, 13¢; 1 bag flour, \$1.00; J. A. Drown, $3\frac{1}{2}$ lbs. squash @ 4¢; $\frac{5}{8}$ lb. cheese, 10¢. G. W. Smith, 1 lb. coffee, 33¢; $\frac{1}{2}$ bu. potatoes, 45¢.

Order Book No. 4 contains the following orders: Henry McAdam, 13 Webster St., $1\frac{1}{2}$ lbs. mutton

chop @ 25¢, C.O.D. Martin Fletcher, 1½ lbs. pork steak @ 12¢. John C. Chase, 2 cakes soap @ 7¢; dog meat, 5¢.

Order Book No. 6 contains the following orders: James Wilson, 7 lbs. corned beef @ 10¢; 1 can corn, 15¢; 1½ lbs. steak @ 25¢. Wm. P. Rogers, 3 lemons, 5¢; 1 yeast cake, 2¢; 1 doz. oranges, 35¢.

Order Book No. 8 contains the following orders: L. W. Day, 1 bbl. flour, \$7.50. Henry Anderson, 18 Adams St., cash, 1 bbl. flour, \$6.75.

Paid weekly salary to book-keeper and salesmen, and Brown & Co.'s express bill for \$10.42. Cash on hand at close of business, \$2165.31. Mdse. on hand, \$5950.18.

For convenience, pages of two Order Books will be exhibited on one page of the text-book.

In the Debit Ledger, the second line of each month's record is reserved for cash paid in full for the balance due at the first of the month.

Services are estimated on the basis of twenty-seven working days in the month of January, 1890.

ORDER BOOK No. 1.

Jan. 1, 1890.

<i>S. C. Tower</i>			
81	✓	can B. Powder	50
	✓	Sweet Potatoes	25
	✓	$\frac{1}{2}$ pk. Potatoes	13
<i>Cr.</i>			
76		Cash	30
<i>H. Alexander</i>			
82	✓	bch. Celery	15
	✓	qt. Milk	08
<i>G. W. Smith</i>			
80	✓	2 Butter	66
	✓	3 S. Pork	30
	✓	2 Beans	20
<i>C. Sylvester</i>			
81	✓	5 Sugar	38
	✓	Yst. Cake	02
	✓	1 Pul. Sugar	12
	✓	Apples	25
<i>Jan. 3</i>			
<i>Henry Alexander</i>			
82	✓	1 Oil	13
	✓	$\frac{1}{2}$ D. Beef	15
<i>Cr.</i>			
76		Cash	21 39
<i>J. A. Drown</i>			
80	✓	6 Squash	18
	✓	$1\frac{1}{2}$ R. Steak	38
<i>Charles Sylvester</i>			
81	✓	8 Sugar	60
	✓	12 Eggs	30
<i>Cr.</i>			
81	✓	bg. Flour	1 00

ORDER BOOK No. 2.

Jan. 2, 1890.

<i>S. C. Tower</i>			
81	✓	2 Rice	10
	✓	4 Ind. Meal	12
		Lamp Chim.	10
<i>H. Alexander</i>			
82	✓	Yst. Cake	02
	✓	2 Prunes	30
<i>J. A. Drown</i>			
80	✓	1 L. Chop	25
<i>C. Sylvester</i>			
81	✓	bg. Hax. Flour	1 00
<i>Cr.</i>			
76		Cash	69 57
<i>Jan. 4</i>			
<i>S. C. Tower</i>			
81	✓	bbl. Flour	7 00
	✓	$1\frac{1}{2}$ V. Steak	30
<i>H. Alexander</i>			
82	✓	slice Ham	20
	✓	qt. Milk	08
	✓	Broom	30
	✓	$\frac{1}{2}$ Cheese	08
<i>C. Sylvester</i>			
81	✓	4 qts. Onions	20
<i>G. W. Smith, Cr.</i>			
76		Cash	20 00

ORDER BOOK No. 3.

Jan. 1, 1890.

<i>M. Fletcher</i>		
81	✓	1 $\frac{3}{4}$ R. Steak 44
	✓	1 Soda 10
<i>N. Corning</i>		
80	✓	Soup Beef 15
	✓	qt. Pickles 15
	✓	can Tomatoes 12
	✓	$\frac{1}{2}$ pk. Apples 20
<i>M. White</i>		
80	✓	1 $\frac{1}{2}$ L. Chops 38
	✓	10 Sugar 75
<i>J. C. Chase</i>		
80	✓	1 Veal Steak 25
	✓	5 Squash 15
<i>D. A. Murdock</i>		
80	✓	3 pts. Oysters 60
<i>Jan. 3</i>		
<i>Martin Fletcher</i>		
81	✓	bbl. Flour 7 50
	✓	bu. Potatoes 1 20
<i>Cr.</i>		
76		Cash 100 00
<i>J. C. Chase</i>		
80	✓	1 $\frac{1}{2}$ Steak 38
	✓	5 Oil 75
<i>D. A. Murdock</i>		
80	✓	1 Sausage 10
	✓	4 Dog Meat 20

ORDER BOOK No. 4.

Jan. 2, 1890.

<i>M. Fletcher</i>		
81	✓	Sugar 1 00
	✓	pkg. R. Oats 12
	✓	2 $\frac{1}{2}$ Butter 83
	✓	pkg. Bird Seed 10
<i>M. White</i>		
80	✓	24 Oranges 50
	✓	Beef for Tea 10
<i>J. C. Chase</i>		
80	✓	Yst. Cake 02
	✓	2 $\frac{1}{2}$ Lamb for Broth 50
	✓	$\frac{1}{2}$ D. Beef 15
<i>D. A. Murdock</i>		
80	✓	1 $\frac{1}{2}$ R. Steak 38
	✓	1 Oil 13
<i>Jan. 4</i>		
<i>N. Corning</i>		
80	✓	1 Coffee 35
	✓	pk. Potatoes 25
<i>M. White</i>		
80	✓	Yst. Cake 02
<i>J. C. Chase</i>		
80	✓	3 pail Lard 39
	✓	1 Cheese 16
	✓	gal. Oil 13
<i>D. A. Murdock, Cr.</i>		
76		Cash 8 29

ORDER BOOK No. 5.

Jan. 1, 1890.

82	✓	James Wilson		
		12 Eggs		30
		Cr.		
		Cash	31	36
82	✓	W. P. Rogers		
	✓	1 Oil		13
	✓	2 Soap		10
	✓	1 Cheese		16
81	✓	L. W. Day		
	✓	4 Sugar		30
	✓	$\frac{1}{2}$ Tea		30
	✓	$2\frac{1}{2}$ Pork Steak		25
81	✓	W. H. Dunn		
	✓	$5\frac{1}{2}$ C. Beef		55
82	✓	Peter G. Wilder		
	✓	1 Pea Beans		10
	✓	$\frac{3}{4}$ Fat Pork		08
	✓	Matches		05
		Jan. 3		
81	✓	L. W. Day	1	65
	✓	5 Butter		24
81	✓	W. H. Dunn		
	✓	$3\frac{1}{2}$ Chicken		70
76	✓	Cr.	10	45
82	✓	Peter G. Wilder		
	✓	$\frac{1}{2}$ Dates		15
	✓	bu. Apples	1	50

ORDER BOOK No. 6.

Jan. 2, 1890.

82	✓	J. Wilson		
	✓	6 Eggs		15
	✓	$1\frac{1}{2}$ Steak		38
	✓	4 Soup Bone		20
76		W. P. Rogers, Cr.	75	00
81	✓	L. W. Day		
	✓	5 Sugar		38
	✓	pkg. Cinnamon		10
81	✓	W. H. Dunn		
	✓	$\frac{1}{2}$ Tea		30
	✓	6 Eggs		15
	✓	pt. Milk		04
82	✓	P. G. Wilder		
	✓	2 Butter		66
	✓	3 S. Pork		30
	✓	2 P. Beans		20
	✓	5 Sugar		38
	✓	Yst. Cake		02
		Jan. 4		
82	✓	J. Wilson		
	✓	6 C. Beef		72
	✓	qt. Beets		05
	✓	5 Squash		15
82	✓	W. P. Rogers		
	✓	1 Oil		13
	✓	qt. Molasses		17
	✓	pt. M. Syrup		15
81	✓	L. W. Day		
	✓	$1\frac{1}{2}$ Butter		50
81	✓	W. H. Dunn		
	✓	qt. Beans		10
	✓	1 S. Pork		10
	✓	can Salmon		20

ORDER BOOK No. 7.

Jan. 1, 1890.

ORDER BOOK No. 8.

Jan. 2, 1890.

82	✓	Henry Alexander 1 pkg. W. Oats	10	80	✓	G. W. Smith 24 Eggs	46
					✓	10 Sugar	75
80	✓	J. A. Drown $\frac{1}{2}$ Coffee	17	80	✓	M. White Apples	25
	✓	1 Evap. Apples	10		✓	3 P. H. Steak	99
	✓	1 P. Beans	10				
	✓	1 Soda Crack.	16				
	✓	2 Lard	20				
		A. E. Chase 13 Forrest		Paid	✓	Henry Horner 39 Maple Sugar	1 00
Paid	✓	2 Butter	66		✓	1 Soda	08
	✓	6 $\frac{1}{4}$ C. Beef	75		✓	24 Eggs	46
	✓	Turnips	05				
	✓	S. Potatoes	50				
	✓	1 S. Pork	10	Paid	✓	P. C. Dombey 18 Essex 2 P. Beans	20
	✓	1 $\frac{1}{4}$ Ham	25		✓	2 Cranberries	30
		A. G. Stone 37 Webster					
Paid	✓	1 pk. B. Apples	40	Paid	✓	D. C. Hooper 326 Main 6 Lard	96
	✓	1 Coffee	33		✓	2 Butter	66
		A. C. Cooper 19 Maple					
Paid	✓	2 $\frac{1}{2}$ M. Chop	63	Paid	✓	Mrs. Cutting 96 Harvard bbl. Flour	7 50
	✓	8 Soup Bone	56			Jan. 4	
		A. Brown 17 Pine		80	✓	J. C. Chase bbl. Flour	7 50
Paid	✓	1 pk. Potatoes	25				
	✓	6 Ham	90				
	✓	6 $\frac{1}{2}$ Squash	20	Paid	✓	Peter Maney 18 Washington 2 cans Tomatoes	24
	✓	Yst. Cake	02		✓	can Corn	15
	✓	12 Eggs	30		✓	12 Oranges	25
	✓	6 Lemons	13				
		Jan. 3					
82		W. P. Rogers, Cr. Order from					
81		M. Fletcher	50 00				

CASH.

Dr.

1890								
Jan. 1	78	Paul C. Pratt, investment	2500	00				
" "	78	Henry O. Lyman, investment	2500	00				
" "	82	James Wilson on $\frac{a}{c}$	31	36				
" "	81	S. C. Tower on $\frac{a}{c}$	30	00	5061	36		
" "		Sales			76	32		
					5137	68		
Jan. 2		Balance			1363	73		
" "	82	W. P. Rogers on $\frac{a}{c}$	75	00				
" "	81	C. Sylvester on $\frac{a}{c}$	69	37	144	37		
" "		Sales			31	51		
					1539	61		
Jan. 3		Balance			1429	12		
" "	82	H. Alexander on $\frac{a}{c}$	21	39				
" "	81	M. Fletcher on $\frac{a}{c}$	100	00				
" "	81	W. H. Dunn on $\frac{a}{c}$	10	45	131	84		
" "		Sales			106	21		
					1667	17		
Jan. 4		Balance			1639	67		
" "	80	G. W. Smith on $\frac{a}{c}$	20	00				
" "	80	D. A. Murdock on $\frac{a}{c}$	8	29				
" "	82	P. G. Wilder on $\frac{a}{c}$	19	09				
" "	80	J. C. Chase on $\frac{a}{c}$	25	00	72	38		
" "		Sales			143	29		
					1855	34		
Jan. 6		Balance			1818	67		

		CASH.			Cr.		
1890							
Jan. 1	79	Hall & Hubbard on $\frac{1}{2}\%$	41	75		41	75
" "		Bell & Roberts for stock of goods				3700	00
" "		Henry Adams for vegetables				31	42
" "		Smith & Jones for oysters					60
" "		John Drinkwater, balance on eggs					18
" 1		Balance				1363	73
						5137	68
Jan. 2	79	Stephens & Bates on $\frac{1}{2}\%$	90	49		90	49
" "		John Sleeper for cheese safe				20	00
" 2		Balance				1129	12
						1539	61
Jan. 3	78	C. J. Sawyer, private $\frac{1}{2}\%$	27	00			
" "	78	P. C. Pratt, laundry bill		50		27	50
" 3		Balance				1639	67
						1667	17
Jan. 4		J. T. Bissell, services				10	00
" "		E. S. Thompson, services				10	00
" "		E. C. Sleeper, services				10	00
" "		Mary O. Hanson, services				6	67
" 4		Balance				1818	67
						1855	34

STOCK LEDGER.

<i>Dr.</i>		CHARLES J. SAWYER.				<i>Cr.</i>	
1890					1890		
Jan. 1	Accounts		417	15	Jan. 1	Store & Fixt's	1500 00
" 3	Cash	77	27	00	" "	Mdse.	2438 20
" 4	Balance		4113	86	" "	Accounts	578 95
					" 4	Services	18 52
					" "	Gain	22 34
			4558	01			4558 01
					Jan. 6	Balance	4113 86

<i>Dr.</i>		PAUL C. PRATT.				<i>Cr.</i>	
1890					1890		
Jan. 3	Cash	77		50	Jan. 1	Cash	76 2500 00
" 4	Balance		2536	64	" 4	Services	14 81
					" "	Gain	22 33
			2537	14			2537 14
					Jan. 6	Balance	2536 64

<i>Dr.</i>		HENRY O. LYMAN.				<i>Cr.</i>	
1890					1890		
Jan. 4	Balance		2537	14	Jan. 1	Cash	76 2500 00
					" 4	Services	14 81
					" 4	Gain	22 33
			2537	14			2537 14
Jan. 11	Balance		2616	54	Jan. 6	Balance	2537 14
					" 11	Services	22 22
					" "	Gain	57 18
			2616	54			2616 54
					Jan. 13	Balance	2616 54

CREDIT LEDGER.

<i>Dr.</i>					HALL & HUBBARD.					<i>Cr.</i>		
1890					1890							
Jan. 1	Cash & Disc't	77	46	39	Jan. 1	Balance	301	46	39			
<i>Dr.</i>					JONES, CARTWRIGHT & Co.					<i>Cr.</i>		
					1890							
					Jan. 1	Balance	340	121	62			
<i>Dr.</i>					BICKNELL, COBB & Co.					<i>Cr.</i>		
					1890							
					Jan. 1	Balance	321	76	18			
<i>Dr.</i>					STEVENS & BATES.					<i>Cr.</i>		
1890					1890							
Jan. 2	Cash & Disc't	77	91	40	Jan. 1	Balance	356	91	40			
<i>Dr.</i>					R. C. SOLOMON.					<i>Cr.</i>		
					1890							
					Jan. 1	Balance	296	81	56			
					" 2	Mdse.		140	46			

DEBIT LEDGER.

JOHN C. CHASE.

D. A. MURDOCK.

1890					1890				
Jan. 1	Balance	296	40	73	Jan. 1	Balance	147	8	29
" 1	1 V. Steak			25	" 4	Cash	76	8	29
	5 Squash			15	" 1	3 pts. Oysters			60
" 2	Yst. Cake			02	" 2	1½ Steak			38
	2½ Lamb Broth			50	" 3	1 Oil			13
	½ D. Beef			15		1 Sausage			10
" 3	1½ Steak			38		4 Dog Meat			20
	5 Oil			75					
" 4	3 pail Lard			39					
	1 Cheese			16					
	1 Oil			13					
	bbl. Flour		7	50					
			51	11					
" 4	Cash	76	25	00					
			26	11					

NATHANIEL CORNING.

MOSES WHITE.

1890					1890				
Jan. 1	Balance	175	12	21	Jan. 1	Balance	206	16	20
" 1	Soup Beef			15	" 1	1½ L. Chop			38
	qt. Pickles			15		10 Sugar			75
	can Tomatoes			12	" 2	24 Oranges			50
	½ pk. Apples			20		Beef for Tea			10
" 4	1 Coffee			35		Apples			25
	pk. Potatoes			25	" 4	3 P. H. Steak			99
						Yst. Cake			02

J. A. DROWN.

G. W. SMITH.

1890					1890				
Jan. 1	Balance	246	15	49	Jan. 1	Balance	192	29	61
" 1	½ Coffee			17	" 1	2 Butter			66
	1 Evap. Apple			10		3 S. Pork			30
	1 P. Beans			10		2 qts. Beans			20
	1 Soda Crackers			16	" 2	24 Eggs			46
	2 Lard			20		10 Sugar			75
" 2	1 L. Chops			25				31	98
" 3	6 Squash			18	" 4	Cash	76	20	00
	1½ R. Steak			38				11	98

CHARLES SYLVESTER.

MARTIN FLETCHER.

1890					1890				
Jan. 1	Balance	291	69	37	Jan. 1	Balance	192	146	26
" 2	Cash	76	69	37					
Jan. 1	5 Sugar			38		1 $\frac{3}{4}$ R. Steak			44
	Yst. Cake			02		1 Soda			10
	1 P. Sugar			12	" 2	Sugar		1	00
	Apples			25		R. Oats			12
" 2	bg. H. Flour		1	00		2 $\frac{1}{2}$ Butter			83
" 3	8 Sugar			60		Bird Seed			10
	12 Eggs			30	" 3	bb. Flour		7	50
				2 67		bu. Potatoes		1	20
	bg. H. Flour		1	00				157	55
	Balance		1	67	" 3	Cash	76	100	00
" 4	4 qts. Onions			20		Balance		57	55
					Jan. 3	Order favor of			
						W. P. Rogers		50	00

L. W. DAY.

W. H. DUNN.

1890					1890				
Jan. 1	Balance	146	29	92	Jan. 1	Balance	281	10	45
					" 3	Cash	76	10	45
" 1	4 Sugar			30	Jan. 1	5 $\frac{1}{2}$ C. Beef			55
	$\frac{1}{2}$ Tea			30	" 2	$\frac{1}{2}$ Tea			30
	2 $\frac{1}{2}$ P. Steak			25		6 Eggs			15
" 2	5 Sugar			38		pt. Milk			04
	pkg. Cinnamon			10	" 3	3 $\frac{1}{2}$ Chicken			70
" 3	5 Butter		1	65	" 4	qt. Beans			10
	2 P. Sugar			24		1 S. Pork			10
" 4	1 $\frac{1}{2}$ Butter			50		Can Salmon			20

SAMUEL C. TOWER.

1890				
Jan. 1	Balance	189	36	42
" 1	Bak. Powder			50
	S. Potatoes			25
	$\frac{1}{2}$ pk. Potatoes			13
			37	30
	Cash	76	30	00
	Balance		7	30
Jan. 2	2 Rice			10
	4 I. Meal			12
	Chimney			10
" 4	bb. Flour		7	00
	1 $\frac{1}{2}$ V. Steak			30

JAMES WILSON.

WILLIAM P. ROGERS.

1890				1890			
Jan. 1	Balance	314	31 36	Jan. 1	Balance	187	92 16
" 1	Cash	76	31 36				
Jan. 1	12 Eggs		30	" 1	1 Oil		13
" 2	6 Eggs		15		2 Soap		10
	1½ Steak		38		1 Cheese		16
	4 Soup Bone		20			92	55
" 4	6 C. Beef		72		Cash	76	75 00
	qt. Beets		05		Balance		17 55
	5 Squash		15		—Cr.—		
				Jan. 3	M. Fletcher's Order		50 00
					Balance		17 55
					Due	\$ 32.45	
				Jan. 3	3 S. Pork		30
					2 P. Beans		20
					Yst. Cake		02
				" 4	1 Oil		13
					qt. Molasses		17

PETER G. WILDER.

HENRY ALEXANDER.

1890					1890				
Jan. 1	Balance	96	19	09	Jan. 1	Balance	321	21	39
" 4	Cash	76	19	09	" 3	Cash	76	21	39
Jan. 1	1 P. Beans			10	Jan. 1	Celery			15
	$\frac{3}{4}$ Pork			08		qt. Milk			08
	Matches			05		pkg. R. W. Oats			10
" 2	2 Butter			66	" 2	Yst. Cake			02
	3 S. Pork			30		2 Prunes			30
	2 P. Beans			20	" 3	1 Oil			13
	5 Sugar			38		$\frac{1}{2}$ D. Beef			15
	Yst. Cake			02	" 4	slice Ham			20
" 3	1 $\frac{1}{2}$ Dates			15		qt. Milk			08
	bu. Apples		1	50		Broom			30
" 4	can Corn			15		$\frac{1}{2}$ Cheese			08
	12 Oranges			25					
	12 Bananas			30					
	1 M. Grapes			20					

CONDITION OF BUSINESS,

Jan. 4, 1890.

Assets.

<i>S. C. Tower's</i>	<i>account</i>	14	92		
<i>Henry Alexander's</i>	"	1	59		
<i>J. A. Drown's</i>	"	17	03		
<i>G. W. Smith's</i>	"	11	98		
<i>Charles Sylvester's</i>	"	1	87		
<i>Martin Fletcher's</i>	"	107	55		
<i>Nathaniel Corning's</i>	"	13	43		
<i>Moses White's</i>	"	19	19		
<i>John C. Chase's</i>	"	26	11		
<i>D. A. Murdock's</i>	"	1	41		
<i>James Wilson's</i>	"	1	95		
<i>L. W. Day's</i>	"	34	07		
<i>W. H. Dunn's</i>	"	2	14		
<i>Peter G. Wilder's</i>	"	4	34		
<i>Cash</i>		1818	67		
<i>Fixtures, etc.</i>		1500	00		
<i>Adse.</i>		6082	22	9658	47

Liabilities.

<i>Wm. P. Rogers's</i>	<i>account</i>	31	48		
<i>Chas. J. Sawyer's</i>	" (open)	4091	52		
<i>Paul C. Pratt's</i>	" (open)	2514	31		
<i>Henry O. Lyman's</i>	" (open)	2514	81		
<i>Jones, Cartwright & Co.'s</i>	"	121	62		
<i>Bicknell, Cobb & Co.'s</i>	"	76	18		
<i>R. C. Solomon's</i>	"	222	02		
<i>Rent and taxes, one week</i>		19	53		
<i>Net gain</i>		67	00	9658	47

CONDITION OF BUSINESS,

Jan. 11, 1890.

Assets.					
<i>S. C. Tower's</i>	<i>account</i>		16	67	
<i>Henry Alexander's</i>	"		4	77	
<i>J. A. Drown's</i>	"		3	26	
<i>G. W. Smith's</i>	"		14	64	
<i>Charles Sylvester's</i>	"		3	49	
<i>Martin Fletcher's</i>	"		108	41	
<i>Nathaniel Corning's</i>	"		5	48	
<i>Moses White's</i>	"		11	06	
<i>John C. Chase's</i>	"		26	65	
<i>D. A. Murdock's</i>	"		4	63	
<i>James Wilson's</i>	"		6	42	
<i>L. W. Day's</i>	"		18	13	
<i>W. H. Dunn's</i>	"		5	98	
<i>Peter G. Wilder's</i>	"		5	45	
<i>Cash</i>			2165	31	
<i>Fixtures, etc.</i>			1500	00	
<i>Mdse.</i>			5950	18	9850 53
Liabilities.					
<i>Wm. P. Rogers's</i>	<i>account</i>		30	40	
<i>Chas. J. Sawyer's</i>	"	(closed)	4198	83	
<i>Paul C. Pratt's</i>	"	(closed)	2616	04	
<i>Henry O. Lyman's</i>	"	(closed)	2616	54	
<i>Hall & Hubbard's</i>	"		51	46	
<i>Bicknell, Cobb & Co.'s</i>	"		76	18	
<i>R. C. Solomon's</i>	"		222	02	
<i>Rent and taxes, two weeks</i>			39	06	9850 53

Wakefield, Mass., April 1, 1890.

Mr. Charles P. Jordan,

BOUGHT OF

Sawyer, Pratt & Lyman.

Dealers in Groceries and Provisions.

119 Wayland Avenue.

Mch	1	12 Oranges	25	3/1 Apricots	20	45	
		C. Yst.	02	4/1 Bor Salt	10	12	
		5 Sugar	38	Bq. Flour	85	1 23	
	5	7 1/2 Ham	1.05	1 Ev Apples	15	1 20	
		Bt Castoria	35	7 1/4 C. Tar	15	50	
		1 Coffee	35	12 Eggs	23	58	
		1 G. Crackers	20	C. Yst	02	22	
		2l Beans	10	8/1 Pearline	12	22	
		Bt. H. Rad	10	10/5 Sugar	38	48	
		J. Jam	25	11/12 Eggs	23	48	
		1 G. Crackers	20	12/6 Simons	10	30	5 78

Mendum, Maine, May 29, 1890.

Mr. James H. Corben,

IN ACCOUNT WITH

Henry P. Holmes, Dr.

Carpenter, Contractor, Builder, and Dealer in Rough and Dressed Lumber.

Apr.	26	3 days Labor	@ \$3.00	9	00	
		36 ft B Walnut	@ 8¢	2	88	
		30 ft Whitewood	@ 5¢	1	50	
		Nails and Screws		25		13 63
		Cr.				
May	1	Cash				10
		Paid May 29, 1890.				3 63
		Henry P. Holmes				

CHAPTER VII.

CHECKS, NOTES, AND DRAFTS.

Face of Check.

	\$ <u>3018</u> $\frac{32}{100}$	Malden, Mass., Dec 24, 1890
	Citizens' National Bank,	
	Pay to the order of <u>Henry S. Gage & Sons</u>	
	<u>Three Thousand Eighteen</u> and $\frac{32}{100}$ <u>Dollars</u>	
	No <u>264</u>	<u>Clarence R. Parmenter</u>

Back of the Same, showing Endorsements and Stamp of the Bank on which it was drawn.

<u>Pay to order of</u> <u>John S. Lawrence</u> <u>Henry S. Gage & Sons</u>	<u>John S. Lawrence</u>	Pay NATIONAL BANK OF REDEMPTION, or Order for Collection, % PUTNAM NATIONAL BANK, WORCESTER. T. B. FURMAN, Cashier.	

Note with Endorsements.

	\$ <u>327</u> ⁰⁰ / ₁₀₀	Cincinnati, O. Nov 25 1890
	<u>Six months after date I promise to pay</u>	
	<u>to the order of David K. Wheeler</u>	
	<u>Three Hundred and Twenty-seven</u> ⁰⁰ / ₁₀₀ <u>Dollars</u>	
	<u>without defalcation or discount Value received.</u>	
	No <u>7</u> Due <u>May 25 '91</u>	<u>Martin O. Stokes</u> <u>109 Lombardy Ave.</u>

Accepted Draft.

D.T. AMES & SON, PEN ARTISTS.
202 Broadway, N.Y.

\$58 $\frac{17}{100}$

New York, Oct. 15, 1890

Thirty days after sight Pay to the order of Emerson Natl Bank of NY

Fifty-eight $\frac{17}{100}$ Dollars

Value received, and charge to account of

To Jeremiah Gordon, No. 402 East Lake, N. C.

D.T. Ames & Son

PEN WORK IN THIS VOLUME BY D.T. AMES & SON, 202 BROADWAY, N.Y.

NOTE. — The acceptance is often made with black ink.

NOTES.

A note is a written promise to pay a definite sum of money at a certain future time to a person named in the document.

The following is a common form: —

No. 1.

\$106 $\frac{36}{100}$

Boston, Mass. Apr. 22, 1890.

Two months after date I promise to pay to the order of John Brown one hundred six and $\frac{36}{100}$ dollars. Value received.

Henry Smith.

The person who promises to pay is called the **maker**; the person whose name appears in the body of the note is called the **payee**.

Notes vary in form according to the nature of the promise. The following are some of the other forms which may be used: —

No. 2.

Individual Note. Not Negotiable.

\$106 $\frac{36}{100}$

Boston Mass. Apr. 22, 1890.

On demand I promise to pay John Brown one hundred six and $\frac{36}{100}$ dollars Value received.

Henry Smith.

No. 3.

Individual Note. Negotiable.

\$106 $\frac{36}{100}$

Boston, Mass., Apr. 22, 1890.

On demand I promise to pay John Brown, or bearer, one hundred six and $\frac{36}{100}$ dollars, value received.

Henry Smith.

No. 4.

Individual Note. Negotiable.\$106 $\frac{36}{100}$

Boston, Mass., Apr. 22, 1890.

Two months after date I promise to pay to John Brown, or order, one hundred six and $\frac{36}{100}$ dollars, value received.

Henry Smith.

No. 5.

Joint Note. Negotiable.\$106 $\frac{36}{100}$

Boston, Mass., Apr. 22, 1890.

Sixty days from date we promise to pay to the order of John Brown, at the First National Bank of Boston, one hundred six and $\frac{36}{100}$ dollars, value received,

Henry Smith.
Charles Paul.

No. 6.

Joint and Several Note. Negotiable.\$106 $\frac{36}{100}$

Boston, Mass., Apr. 22, 1890.

Three months after date we jointly and severally promise to pay John Brown, or order, one hundred six and $\frac{36}{100}$ dollars, value received.

Henry Smith.
Charles Paul.

No. 7.

Interest-bearing Note. Negotiable.\$106 $\frac{36}{100}$

Boston, Apr. 22, 1890.

Six months after date I promise to pay to the order of John Brown, one hundred six and $\frac{36}{100}$ dollars, value received, with interest from date.

Henry Smith.

It will be seen that these notes differ in various ways; but they all may be classed under two general heads, — negotiable notes and non-negotiable notes. A negotiable note is one that can be sold, and collected by some person other than the person named in the body of the note. A non-negotiable note cannot be sold, and can be collected only by the person named in the body of

the note. Negotiable notes are of two kinds, one written "to bearer," and the other "to the order of" or "or order." Notes payable to bearer can be collected by the holder. Notes payable to order can be collected by any person to whom the person named in the body of the note transfers them. One transfers his interest in a note by writing his name upon the back of it. This is called endorsing it. If he writes only his name, it is called endorsing "in blank," and the note can then be collected by the holder, the same as a note which is made payable to bearer. If before his name he writes the name of some other person with the direction that the note be paid to him, or to his order, it can be collected only by that person, or some other person to whom he has ordered it paid. This method of endorsing is called endorsing "in full."

Note No. 2 is payable only to John Brown. No. 3 is payable to the bearer. No. 4 is precisely the same as No. 1. No. 5 is called a joint note. A joint note is a promise of two or more persons to pay money at some future time, and each person is responsible only for his share of the face of the note. No. 6 is a joint and several note; that is, its signers are held individually for the face of the note, and each one is bound to pay it if the others fail. No. 7 differs from the others in that it bears interest from date.

The date of payment is called the day of maturity. This is the third day after the time specified in the note. The three additional days are called "days of grace." When the last day of grace falls on a Sunday or a legal holiday, the note is due the day before. A note payable on demand has no days of grace. A note specifying no time of payment is payable on demand.

Writers on commercial law usually specify five things as necessary to the form of a note to make it negotiable: first, that the day of payment be certain to come; second, that it contain either the word "order" or the word "bearer"; third, that the face be a specified sum; fourth, that it is to be paid in money; and fifth, that no condition be attached to it.

When a note which is payable to order is transferred by endorsement, the endorser makes himself responsible for its payment if the maker fails to pay it when due. The endorser may avoid this responsibility by writing the words, "without recourse," before his name.

A note in the hands of the original payee cannot be collected unless it represents a debt or was given for value; but if it has been negotiated, the maker must pay it even though it has been obtained by fraud, or he has signed it without knowing its purport.

DRAFTS.

A draft is a written order by which one person directs another to pay a certain sum of money at a certain time to a third person. As in a note, the third person may be named, or the draft may be payable to the bearer, or it may be payable to the order of the third person. The person who gives the direction is called the **drawer**. The person who is directed to pay is called the **drawee**. The person to whom the money is to be paid is called the **payee**. The following is a common form:—

Draft. Payable at Sight.

\$156.—

Boston, Feb. 19, 1890.

At sight, pay to the order of Charles L. Whipple, one hundred fifty-six dollars, value received, and charge to our account.

Henry Rushton & Co.

To Brown & Co., New York.

Similar to a Draft is the

Order for Merchandise.

\$ 50.——

Munson, Mass., Jan. 3, 1890.

Lawyer, Pratt & Lyman, —

Please deliver to William S. Rogers merchandise to the value of fifty dollars, and charge the same to my account.

Martin Fletcher.

A check is a draft on a bank. It should be presented for payment as soon as received. No days of grace are allowed.

When the draft has been presented to the drawee, he may agree to pay the money as directed, or he may refuse to do so. In the former case he writes across the face of the draft the word "Accepted," the date, and his name. In the latter case the draft is returned to the drawer.

An accepted draft is called an acceptance, and is practically the note of the drawee, payable under the conditions named in the draft. Three days of grace are allowed as in notes, and the drawer of the draft must pay it if the drawee fails to do so.

In order to hold the endorser of a note or the drawer of a draft to the payment of a note or draft when the maker or drawee fails to pay it, it is necessary that the endorser or drawer be informed of this failure at once. The note or draft must be presented to the maker at maturity; if he fails to pay it, notice must be given to the endorser or drawer on the next day, or he will not be held for its payment.

QUESTIONS.

What is a note? Who is the maker of a note? Who is the payee of a note? How do notes vary? What are the two general classes? What is a negotiable note? What is a non-negotiable note? What two kinds of negotiable notes? Who may collect notes made payable to bearer? Who may collect notes payable to order? How does the payee of a negotiable note transfer his ownership? What is endorsing a note? Explain the two kinds of endorsing mentioned? What is a joint note? What is a joint and several note? What is the day of maturity? When does this occur? What are days of grace? What notes have no grace? When is a note payable that specifies no time of payment? What five things are necessary to make a note negotiable? Who must pay a negotiable note if the maker fails to do so? Can he avoid this liability? How? What distinction between a note in the hands of the original payee and a note which has been transferred? What is a draft? Who is the drawer? Who is the drawee? Who is the payee? What is a check? When should it be presented to the bank for payment? What may the drawee do when the draft is presented to him? How does he accept a draft? What is meant by dishonoring a draft? What name is given to an accepted draft? Who must pay it if the drawee fails to do so? What is necessary in order to hold the endorser to the payment of the note?

CHAPTER VIII.

DOUBLE ENTRY BOOK-KEEPING.

DEFINITIONS AND GENERAL PRINCIPLES.

We have considered the forms and principles of single entry book-keeping as applied to various kinds of business. It is now necessary for us to study the forms and principles of double entry book-keeping.

The forms of double entry are used for the same transactions as the forms of single entry. The records of any business may be kept either by single entry or by double entry. Which method shall be used depends upon the taste of the book-keeper, and the results which he wishes his books to exhibit.

While there are several points of difference between the two systems, there are many points in which they are the same; so that he who has a knowledge of single entry has made much progress in learning the methods of double entry.

One distinguishing feature of double entry is the fact that it requires a debit entry and a credit entry for every transaction. The debit entry and the credit entry for every transaction are always equal to each other, and consequently the sum of the debit entries in the several accounts is always equal to the sum of the credit entries. This equality affords a ready method of testing the accuracy of the record.

Another distinguishing feature of double entry is the greater number of accounts which are kept, and the resulting fullness with which the Ledger exhibits assets and liabilities, and losses and gains.

Some of the accounts rarely used in single entry, and commonly used in double entry, are defined as follows: —

Bills Payable includes all our written promises to pay money to others.

Bills Receivable includes all written promises of others to pay money to us.

Expense includes rent, clerk-hire, etc.

Stock represents the proprietor.

Discount, or Interest, includes everything paid or received for the use of money.

Services includes the work of hands or brains.

Commission is one kind of service.

Exchange represents the difference between the cost and the selling price of drafts and bills of exchange.

Shipments are commodities sent away to be sold.

Consignments are commodities received to be sold for others.

Labor, Freight, and Advertising are varieties of expense.

Loss and Gain (often called **Profit and Loss**) is the title of the account in which losses and gains are collected for the purpose of combining them.

The underlying principle which controls all records in double entry book-keeping is as follows: In every business transaction something is given, and something is received; something receives, and something gives. *The person, property, agent, or branch of the business which receives is debtor for what it receives; the person, property, agent, or branch of the business from which anything is received is creditor for what is received.* This principle is often tersely expressed as follows: "What comes in is debtor, what goes out is creditor." This statement is not strictly accurate, but it often serves as a convenient guide to the correct record.

The selection of the debtor and the creditor in any transaction may be facilitated by the study of the following chart : —

THE BUSINESS.

Gains.							
Losses.							
Cash.	Mdse.	Real Estate.	Machinery and Fixtures.	Bills Receivable.	Accounts Receiv- able under Names of Debtors.	Bills Payable.	Accounts Payable under Names of Creditors.

EXTERNAL FACTORS.

Stock, Propri- etor, or Partners.	Interest.	Services.	Commission.	EXPENSE.			
				Rent,	Salaries,	Labor,	Etc.

The large rectangle represents the business divided into its principal departments. Each department has an account to represent it.

The small rectangles represent some of the external factors which may have accounts.

It will be seen that in some transactions one department of the business receives value, and another department gains or loses value. *The department that receives value is debited, the department that loses value is credited.*

For example, cash is paid for merchandise. We now have less cash and more merchandise. Merchandise must be debited, and cash must be credited. We sell merchandise to A on account. Our merchandise has become less, our accounts receivable have become greater. We accordingly debit A, and credit merchandise.

In some transactions only one department of the business is affected, receiving value from some external factor, or giving value to some external factor. In this case *we credit or debit the external factor, and debit or credit the department that is affected.*

For example, we receive cash for interest. Cash is increased and therefore debited. Interest is the source from which the cash has been received, and so must be credited.

When an investment is made in the business, it has come from the proprietor; or, if there are more than one proprietor, from one or more of the partners. Cash, merchandise, or some other appropriate department must be debited, and the proprietor (or partner) credited. Cash may be paid for some form of expense; cash must be credited, and expense (under some title) must be debited.

The business may prove profitable. Since the gain may be considered as proceeding from the ability of the proprietor, he is credited with it, and loss and gain is debited.

The business may prove unprofitable. Since the loss has made the business less valuable, and the deficit may be supposed to have gone to the proprietor's inability, he is debited with the amount lost, and loss and gain is credited.

Let us now examine various business transactions, and apply to them the principles which we have learned. These transactions may be as follows : —

1. We buy merchandise for cash.
2. We buy merchandise on our note.
3. We buy merchandise of A. B. on account.

4. We sell merchandise for cash.
5. We sell merchandise on note.
6. We sell merchandise to A. B. on account.
7. We pay cash for rent, salaries, freight, account-books, etc.
8. We pay a note or accepted draft in cash.
9. We pay cash to A. B. on account.
10. We pay cash for interest.
11. We take cash from the business for personal expenses.
12. We receive cash for services.
13. We receive cash in payment of a note or acceptance.
14. We receive cash from A. B. on account.
15. We receive cash for interest.
16. We borrow cash on our note.
17. We lend cash on note.
18. We give an order on A. B. for merchandise to be delivered to C. D. on our account.
19. We receive and obey an order from A. B. for merchandise to be delivered to C. D. on A. B.'s account.
20. We receive merchandise from A. B. on C. D.'s order.
21. We give an order (demand draft) to A. B. for cash to be paid to C. D. on our account; A. B. complies.
22. We receive an order (demand draft) from A. B. to pay money to C. D. on A. B.'s account, and comply.
23. We receive money from A. B. on C. D.'s order (demand draft).
24. We receive a note or acceptance in whole or part payment of an account owed to us by A. B.
25. We give a note, or acceptance, in whole or part payment of an account which we owe to A. B.
26. We make a draft on A. B. in favor of C. D., in whole or part payment of an account owed to us by A. B. A. B. accepts the draft.
27. We receive a draft on A. B. drawn by C. D. in our favor, which A. B. accepts.
28. We invest cash, real estate, merchandise, bills receivable, personal accounts, or other assets in the business.
29. The firm to which we belong agrees to pay bills payable or personal accounts for us.
30. The business proves profitable, and we ascertain that we have gained.
31. The business proves unprofitable, and we ascertain that we have lost.

These illustrations cover all the transactions of ordinary business, and in applying our principles to them we shall learn how to apply them to all possible transactions.

In number one, merchandise is received; cash is given. Merchandise is therefore debtor, and cash is creditor. In a similar way, and by precisely the same course of reasoning, we see how to distinguish debtor and creditor in all the transactions, as follows:—

1.	
<i>Merchandise Dr.</i>	<i>Cash Cr.</i>
2.	
<i>Merchandise Dr.</i>	<i>Bills Payable Cr.</i>
3.	
<i>Merchandise Dr.</i>	<i>A. B. Cr.</i>
4.	
<i>Cash Dr.</i>	<i>Merchandise Cr.</i>
5.	
<i>Bills Receivable Dr.</i>	<i>Merchandise Cr.</i>

<i>A. B.</i> <i>Dr.</i>	6.	<i>Merchandise</i> <i>Cr.</i>
<i>Expense</i> <i>Dr.</i>	7.	<i>Cash</i> <i>Cr.</i>
<i>Bills Payable</i> <i>Dr.</i>	8.	<i>Cash</i> <i>Cr.</i>
<i>A. B.</i> <i>Dr.</i>	9.	<i>Cash</i> <i>Cr.</i>
<i>Interest</i> <i>Dr.</i>	10.	<i>Cash</i> <i>Cr.</i>
<i>(Proprietor by name)</i> <i>Dr.</i>	11.	<i>Cash</i> <i>Cr.</i>
<i>Cash</i> <i>Dr.</i>	12.	<i>Services</i> <i>Cr.</i>
<i>Cash</i> <i>Dr.</i>	13.	<i>Bills Receivable</i> <i>Cr.</i>
<i>Cash</i> <i>Dr.</i>	14.	<i>A. B.</i> <i>Cr.</i>
<i>Cash</i> <i>Dr.</i>	15.	<i>Interest</i> <i>Cr.</i>
<i>Cash</i> <i>Dr.</i>	16.	<i>Bills Payable</i> <i>Cr.</i>
<i>Bills Receivable</i> <i>Dr.</i>	17.	<i>Cash</i> <i>Cr.</i>
<i>C. D.</i> <i>Dr.</i>	18.	<i>A. B.</i> <i>Cr.</i>
<i>A. B.</i> <i>Dr.</i>	19.	<i>Merchandise</i> <i>Cr.</i>
<i>Merchandise</i> <i>Dr.</i>	20.	<i>C. D.</i> <i>Cr.</i>
<i>C. D.</i> <i>Dr.</i>	21.	<i>A. B.</i> <i>Cr.</i>
<i>A. B.</i> <i>Dr.</i>	22.	<i>Cash</i> <i>Cr.</i>
<i>Cash</i> <i>Dr.</i>	23.	<i>C. D.</i> <i>Cr.</i>
<i>Bills Receivable</i> <i>Dr.</i>	24.	<i>A. B.</i> <i>Cr.</i>
<i>A. B.</i> <i>Dr.</i>	25.	<i>Bills Payable</i> <i>Cr.</i>
<i>C. D.</i> <i>Dr.</i>	26.	<i>A. B.</i> <i>Cr.</i>
<i>Bills Receivable</i> <i>Dr.</i>	27.	<i>C. D.</i> <i>Cr.</i>

	28.		
Cash (or Merchandise, etc.)	Dr.	Stock	Cr.
	29.		
(Ourself by name)	Dr.	Bills Payable (or Person by name)	Cr.
	30.		
Loss and Gain	Dr.	Stock (or Proprietor by name)	Cr.
	31.		
Stock	Dr.	Loss and Gain	Cr.

Since these transactions are representative, it is essential that the pupil should study them until he can determine the debtor and the creditor in any one of them instantly. Let this not be an act of memory, but an application of the general principle.

It should be noted that combinations of these transactions may occur. For example, merchandise may be bought, and cash may be given in part payment while a note is given for the remainder.

But there is no new principle to apply. Merchandise is debtor for the full amount of its cost. Cash is creditor for the sum paid, and bills payable is creditor for the face of the note. As is always the case, the debit and credit are equal to each other.

THE JOURNAL.

The Journal in double entry is a book used to distinguish the debtor from the creditor preparatory to posting. One form of the Journal is seen below. Its records are taken from a Day Book, or other book of original entry, where particulars as to kind and amount of articles bought and sold, etc., are given in full.

Boston, Jan. 22, 1891.

	210	Merchandise	39	40	
	396	Cash			39 40
23	191	Bills Payable	41		
	396	Cash			41
24	210	Merchandise	175	62	
	396	Cash			75 62
	191	Bills Payable			100

The first line and the first column contain the date; the second column contains the page of the Ledger to which the various amounts are posted; the third column is the item column; the remaining columns are money columns, the first being used for debit entries, the second for credit entries.

The first entry shows that the proprietor has bought merchandise for cash, paying therefor, \$39.40. Merchandise is debited for its cost, cash is credited for the amount paid out.

The words *debtor* and *creditor* are omitted in writing, because the position of the amount set opposite each item indicates whether the account is to be debited or credited.

The entries are best read by inserting the omitted words, as follows: "Merchandise Debtor, \$39.40; Cash Creditor, \$39.40." "Bills Payable Debtor, \$41; Cash Creditor, \$41." "Merchandise Debtor, \$175.62; Cash Creditor, \$75.62. Bills Payable Creditor, \$100."

FORM V.

The following pages give a brief record of the business of Mr. James Brown, Charlotteville, N. C. The transactions are designed to be representative of classes of transactions, and are presented in the form known as the Italian or Historical Day Book.

EXERCISE 10. DAY BOOK.

Charlottesville, Jan. 1, 18—.

		James Brown begins business with the following resources:—			
28	✓	Merchandise	3000		
28	✓	Cash	1200	4200	
		He has the following liabilities:—			
29	✓	He owes Reed & Morgan on $\frac{1}{c}$ for Groceries	1200		
29	✓	He owes Page & Greeley on note for Flour	500	1700	
2		Sold James C. Newhall on $\frac{1}{c}$			
6	✓	5 bbls. Flour @ \$7.50		37	50
3		Bought of H. C. Hall for cash			
1	✓	Merchandise, per invoice		39	62
5		Sold Prince T. Graves on note @ 10 d's			
5	✓	3086 lbs. Oats @ $1\frac{1}{2}\phi$		46	29
6		Paid Reed & Morgan			
9	✓	Cash on $\frac{1}{c}$		200	
7		Paid cash			
7	✓	For Fuel		15	
8		James C. Newhall paid			
14	✓	Cash on $\frac{1}{c}$		25	
9		Paid Page & Greeley			
8	✓	Cash in part payment of note		200	
10		Sold for cash			
4	✓	20 bbls. Flour @ \$7.50		150	
12		Bought for cash			
1	✓	20000 lbs. Oats @ $1\frac{1}{2}\phi$		300	
14		Prince T. Graves			
13	✓	Paid his note of Jan. 5		46	29
15		Bought of Reed & Morgan on $\frac{1}{c}$			
3	✓	13071 lbs. Potatoes @ 2ϕ		261	42
16		Sold to Henry P. Ball			
		18100 lbs. Corn @ $1\frac{1}{4}\phi$. Received in payment			
4	✓	Cash	50		
5	✓	Endorsed note	150		
6	✓	Balance on $\frac{1}{c}$	26	25	226 25
		Total footing		7447	37

REMARKS CONCERNING THE DAY BOOK.

This form of Day Book is now rarely used. Its place is supplied by the Sales Book, Invoice Book, Cash Book, and other books of original entry.

The student should pay strict attention to his adding. He should keep the amount in pencil until he is sure it is right, then write with ink and erase the pencil mark.

The date may be written in the centre of the line above each transaction.

The ruled red lines should be exactly on the blue lines.

The full-faced figures in red refer to the directions for journalizing on pages 93 and 94, and should not be copied by the student.

The check mark is made before each item as soon as it is journalized.

Charlottesville, Jan. 1, 18—.

	Merchandise	3000		
	Cash	1200		
	James Brown		4200	
	James Brown	1700		
	Reed and Morgan		1200	
	Bills Payable		500	
2	James C. Newhall	37 50		
	Merchandise		37 50	
3	Merchandise	39 62		
	Cash		39 62	
5	Bills Receivable	46 29		
	Merchandise		46 29	
6	Reed and Morgan	200		
	Cash		200	
7	Expense	15		
	Cash		15	
8	Cash	25		
	James C. Newhall		25	
9	Bills Payable	200		
	Cash		200	
10	Cash	150		
	Merchandise		150	
	Carried forward	6613 41	6613 41	

Charlotteville, Jan. 12, 1891.

		<i>Amount forward</i>	6613	41	6613	41
	100	<i>Merchandise</i>	300			
	100	<i>Cash</i>			300	
13	100	<i>Cash</i>	46	29		
	101	<i>Bills Receivable</i>			46	29
	100	<i>Merchandise</i>	261	42		
	100	<i>Reed and Morgan</i>			261	42
16	100	<i>Cash</i>	50			
	101	<i>Bills Receivable</i>	150			
	101	<i>Henry P. Ball</i>	26	25		
	100	<i>Merchandise</i>			226	25
		<i>Total footing</i>	7447	37	7447	37

REMARKS CONCERNING THE JOURNAL.

The Journal has many forms. The form given above is the simplest that is used, and is given for the purpose of illustrating the principles rather than the practice of book-keeping.

As in the Day Book, the student should pay especial attention to the accuracy of all his work. The debit and credit money columns should both be added, one *up* and the other *down*.

The date may be written in the centre of the line above the record of each transaction.

All ruled red lines should be on the blue lines.

HOW TO POST FROM THE JOURNAL.

When the method of journalizing has been thoroughly learned, the student should turn his attention to the Ledger. He will notice that it is ruled and written exactly like a Ledger of single entry, and exhibits the same facts.

In transferring items from the Journal to the Ledger, the book-keeper turns his attention first to the money columns.

Beginning with the first amount, he ascertains what title stands on the same line. He then indexes and opens the appropriate account in the Ledger, if it has not already been opened, and posts the amount to the proper side. In the item column of the Ledger he writes (if he writes anything) the title of the corresponding account to which the transaction refers; in the page column he puts the page of the Journal on which the transaction is recorded; and in the date column he puts the correct date. When there are several corresponding accounts, he has not room for them all. He therefore writes *Sundries* in the item column, meaning thereby "several accounts." As soon as the item is posted, he puts the Ledger page in the Journal.

In the preceding Journal, for example, the first amount is \$3000. It stands in the debit money column, and must therefore be posted to the debit side of some account. On the same line stands the title *Merchandise*; this shows that the amount is to be carried to the Merchandise account. The corresponding credit title is James Brown, and so James Brown is to be written in the item column. As soon as the posting is completed, the page of the Ledger (100) is put in the Journal.

The next amount is then taken, and the next in order, until all the amounts have been posted.

In the preceding Journal, the second amount is debit, and its opposing title is also James Brown. The third amount is \$4200, in the credit column. On the same line stands James Brown. It must be carried, then, to the credit side of James Brown's Ledger account. Its corresponding debit titles

are Merchandise and Cash. As there is not room in the item column for both titles, he writes Sundries in their stead.

In this careful and painstaking way, the student should trace every Journal entry to its proper record in the Ledger. He should then make a Ledger from the Journal, and compare his own work with the Ledger given in the text-book.

EXERCISE 10. LEDGER. (*Open.*)

<i>Dr.</i>		JAMES BROWN.				<i>Cr.</i>	
1891					1891		
Jan. 1	Sundries	98	1700		Jan. 1	Sundries	98 4200

<i>Dr.</i>		MERCHANDISE.				<i>Cr.</i>	
1891					1891		
Jan. 1	James Brown	98	3000		Jan. 2	J. C. Newhall	98 37 50
" 3	Cash	98	39	62	" 5	Bills Receivable	98 46 29
" 12	Cash	99	300		" 10	Cash	98 150
" 15	Reed & Morgan	99	261	42	" 16	Sundries	99 226 25

<i>Dr.</i>		CASH.				<i>Cr.</i>	
1891					1891		
Jan. 1	James Brown	98	1200		Jan. 3	Mdse.	98 39 62
" 8	J. C. Newhall	98	25		" 6	Reed & Morgan	98 200
" 10	Mdse.	98	150		" 7	Expense	98 15
" 13	Bills Receivable	99	46	29	" 9	Bills Payable	98 200
" 16	Mdse.	99	50		" 12	Mdse.	99 300

<i>Dr.</i>		REED & MORGAN.				<i>Cr.</i>	
1891					1891		
Jan. 6	Cash	98	200		Jan. 1	James Brown	98 1200
					" 15	Mdse.	99 261 42

<i>Dr.</i>		BILLS PAYABLE.				<i>Cr.</i>	
1891					1891		
Jan. 9	Cash	98	200		Jan. 1	James Brown	98 500

<i>Dr.</i>		JAMES C. NEWHALL.				<i>Cr.</i>	
1891					1891		
Jan. 2	Mdse.	98	37	50	Jan. 8	Cash	98 25

<i>Dr.</i>		BILLS RECEIVABLE.				<i>Cr.</i>	
1891					1891		
Jan. 5	<i>Mdse.</i>	98	46	29	Jan. 13	<i>Cash</i>	99 46 29
" 16	<i>Mdse.</i>	99	150				

<i>Dr.</i>		EXPENSE.				<i>Cr.</i>	
1891							
Jan. 7	<i>Cash</i>	98	15				

<i>Dr.</i>		HENRY P. BALL.				<i>Cr.</i>	
1891							
Jan. 16	<i>Mdse.</i>	99	26	25			

THE TRIAL BALANCE.

When the book-keeper wishes to prove his work, he takes a proof-sheet, or trial balance, of his Ledger; that is, he ascertains whether his debit entries are equal to his credit entries. Book-keepers usually take a trial balance as often as once a month. A trial balance should always be taken before "closing the Ledger."

The following is a convenient form.

EXERCISE 10.

<i>Dr.</i>		TRIAL BALANCE.				<i>Cr.</i>	
1700		<i>James Brown</i>			4200		
3601	04	<i>Merchandise</i>			460	04	
1471	29	<i>Cash</i>			754	62	
200		<i>Reed & Morgan</i>			1461	42	
200		<i>Bills Payable</i>			500		
37	50	<i>James C. Newhall</i>			25		
196	29	<i>Bills Receivable</i>			46	29	
15		<i>Expense</i>					
26	25	<i>Henry P. Ball</i>					
7447	37	<i>Total</i>	<i>Equal to Journal Footing</i>	<i>Total</i>	7447	37	

REMARKS CONCERNING THE TRIAL BALANCE.

It should be remembered that a Trial Balance does not prove the accuracy of the Ledger; there may be errors in computation, or items may be posted to wrong accounts. On the other hand, if the Ledger is correct, a Trial Balance can always be taken.

Note to the Teacher. — In the transactions recorded in this book, many business papers of various sorts are supposed to be given, to which reference is made only incidentally. These are checks, drafts, letters, leases, deeds, receipts, memorandum slips, cash slips, sales tickets, etc. The teacher should use his judgment as to the number of these which the pupil should write. All such papers should be made in full until the pupil has become perfectly familiar with them. After that time, enough should be written to assure the teacher that they are not forgotten.

In making the Trial Balance, place the footings in pencil in the Ledger, just beneath the last amounts on both sides. Use a sharp, hard pencil for this purpose; make the figures small, but distinct. When there is but one amount, the pencil figures need not be made.

These figures sometimes serve the purpose of distinguishing one month's work from the next. Some book-keepers take a Trial Balance of each month's work separately; in this case the columns are added only as far as the footings of the previous month. When this method is used, it is well to put pencil figures under the single items to prevent their being added to the following month's transactions.

TO FIND ERRORS IN THE TRIAL BALANCE.

Be careful to avoid errors. As previously stated, adding is the most important part of Book-keeping, and the pupil must learn to add correctly. *It takes five times as much labor and time to find and correct an error as to do the work correctly at first.* Observe the rules for adding given in the former portions of this book, and your liability to errors is reduced to a minimum.

But the best book-keepers sometimes make errors; and when an error has been made, it must be found and corrected. Supposing that your Trial Balance does not balance, what is to be done? Always the same things, in the same order, till the error is found. These things are as follows:—

1. Find the exact amount of error and divide it by two. Look for an entry of the full amount, or its half, in all the books of original entry. If such an amount is found, trace it to the Ledger and see that it is correctly posted.

2. See that all balances and inventories have been brought down below the double red lines on the proper sides.

3. Review the footings of the Ledger and see if they have been properly carried to the Trial Balance.

4. Check the Ledger entries.

To do this, take the Journal (or other books from which items have been posted) and check each item with a ✓ in pencil, and at once check in a similar way the same item in the Ledger. The check marks should be carefully made, in vertical columns, at the right or left of the amounts checked. If the first three steps have not shown your error, it is probably in transferring to the Ledger. The checking should show whether all amounts have been transferred correctly to the right account, and to the right side of the account. The most common error is the omission of an entry, and the next in frequency is the writing of an amount in the Ledger different from the amount in the Journal. When an error has been discovered, it should be compared with the error in the Trial Balance. If it does not explain the full amount of error, it should be added or subtracted from the error in the Trial Balance to show what further amount of error or errors is to be discovered.

The process of checking may be greatly facilitated by having the various items read and checked in the Journal by one person, while they are checked in the Ledger by another. The checking in the Journal may be omitted in this case.

The correct reading aloud of dollars and cents is a fine art, and one which teachers and pupils do well to practice. The following direction should be followed:—

Give a slight *accent* to every figure as it is read, and make a brief pause after it; thus, *forty — six — dollars — fifty — seven — cents*. The most common error in setting down numbers that are called aloud is in putting a 2 for a 3 or a 3 for a 2.

A good way to read columns of dollars and cents is as follows:—

- (1) Read the thousands and the word *thousand*;
- (2) read the unit period of dollars, omitting the word *hundred* when there are tens or units;
- (3) make a brief pause (or say *dollars* or *and*); and
- (4) read the number of cents. If there are no cents, add the word *dollars*; if there are no dollars, add *cents*. If the number of cents is less than ten, insert the word *aught*¹ to represent the cipher.

¹ Colloquial for *naught*.

\$ 361426.47 is read *Three — sixty — one — thousand, four — twenty — six (and) forty — seven.*

\$ 2005.02 is read *Two thousand five — aught two.*

\$ 351.60 is read *Three — fifty — one — sixty.*

\$ 85 is read *eighty — five dollars.*

\$.16 is read *sixteen cents.*

Use the word *and* only between dollars and cents.

The method of correcting errors has been given in the preface to this book. Erasures should never be made in "books of original entry," as they vitiate or destroy the value of the record. In these books a red line may be drawn under the error to call attention to it, a counter entry, "*to (or by) Error,*" may be made, and then the correct entry may be recorded. In the Ledger an error in posting may sometimes be corrected by erasure and rewriting; but such erasures disfigure the book and stand as perpetual evidence of the inefficiency of the book-keeper. In short, the only safe rule for the correction of errors is, *Correct them before they are made.*

CLOSING THE LEDGER.

When the proprietor wishes to ascertain his losses and gains and the sources from which they have come, he "closes" his Ledger.

By closing the Ledger is meant the process of balancing accounts, and so combining the results as to ascertain the losses and gains of the business and the present resources and liabilities.

Accounts which exhibit a gain or a loss are known as representative accounts; accounts which exhibit resources or liabilities are called real accounts. For example, the *Expense* account usually exhibits a loss, since the money paid for expenses is rarely returned. The *Services* account usually shows a gain, since it shows a source of income. Personal accounts exhibit assets or liabilities as in single entry.

Book-keepers call losses and gains by the general term "Loss and Gain,"¹ and they call resources and liabilities by the general term "Balance." Since inventories of all kinds constitute a portion of our resources, they are called Balances.

In closing our Ledger, then, we inquire of every account: (1) Its debit side shows what? (2) Its credit side shows what? (3) Their difference shows what? (4) Is this difference a loss, a gain, a resource, or a liability?

For example, answering these questions when applied to the cash account, we say: (1) The debit side of the cash account shows the amount of cash received. (2) The credit side shows the amount of cash paid out. (3) Their difference shows the amount of cash on hand. (4) Cash on hand is a resource. The account is therefore a real account, and it shows a balance.

Proceeding in this way, we decide upon the nature of every account.

Representative accounts are closed by a "Loss and Gain" entry in red ink. Real accounts are closed by a "Balance" entry in red ink.

The principal representative accounts are Merchandise, Expense, Rent, Interest, Services, Commission, Insurance, Storage, Shipments, and Advertising.

The principal real accounts are personal accounts, Bills Payable, Bills Receivable, and Cash.

When the losses and gains have been determined, they are gathered in an account called the Loss and Gain account. The process of carrying the difference between the sides of an account to another account, and closing the first, is called closing one account into another. The representative accounts are, therefore, said to be closed into Loss or Gain.

Any account which becomes worthless may be closed into Loss and Gain, and thus cancelled.

When the resources and liabilities are ascertained, they may be gathered in an account called the Balance Account, or on a separate sheet called the Balance Sheet. Real accounts are therefore "closed into Balance."

¹ Many book-keepers use the expression Profit and Loss to denote the same thing.

In actual business the Ledger is usually closed once a year. In the exercises presented in this book, we shall close much more frequently.

Some resources and liabilities are ascertained by taking an inventory, as in single entry.

The principal inventories of resources are merchandise on hand, unexpired rent and insurance for which we have paid in advance, and the present value of store, fixtures, machinery, etc.

Inventories of liabilities include unpaid bills of every kind which are not exhibited in the Ledger accounts.

We shall better understand the subject of closing a Ledger if we study the accounts of Exercise 10 as they stand on pages 100 and 101.

The first account is the proprietor's. The debit side shows how much he owes the business; the credit side shows how much the business owes him. By principles 30 and 31, however, the proprietor is to be debited with losses, or credited with gains. It will be best to do this before closing the account. We therefore leave this account open for the present, and proceed to the next account.

Passing to the Merchandise account, we notice that the debit side shows how much our Merchandise has cost us, and the credit side shows what we have received for it. The difference would show what we have lost or gained by our transactions, if we had sold all the merchandise which we have bought. As we have not sold it all, we must ascertain the cost of that which has been sold. We may do this by subtracting from the total cost the cost of the merchandise on hand.

The footing of the debit side shows that we have paid for merchandise \$3601.04. By taking an inventory at cost prices of what we have on hand, we find the cost of our present stock of merchandise to be \$3200. Subtracting this from \$3601.04, we get \$401.04 as the cost of that which has been sold. By footing the credit side we learn that we have received \$460.04. If we have received \$460.04 for what cost us \$401.04, it is clear that we have gained \$59.

If we place the inventory on the credit side, and find the difference between the sums of the two sides, we shall get the same result in a simpler way. [$\$3660.04 - \$3601.04 = \$59.$]

We use the second method, and put the amount of the inventory in red ink, calling it "Balance." [See page 105.] The loss or gain we write in red ink on the smaller side. We then foot the sides, and find that the account balances.

The "balance" is brought down on the opposite side in black ink. The "loss and gain" is not brought down, because it is to be combined with other losses and gains.

Passing to the Cash account, we close it, as we close all other real accounts, precisely as in single entry.

Expense is the only representative account that remains, and we accordingly close this with a Loss and Gain entry.

Notice that all closing entries are in red ink.

The proprietor's account remains. He must be debited with losses and credited with gains. We have found one of each; a gain of \$59 in the Merchandise account, and a loss of \$15 in the Expense account. We might close these directly into the proprietor's account, but it is simpler and better to find the net gain or loss and carry this to the proprietor's account in one item.

Our next step is, therefore, to open a Loss and Gain account and close all representative accounts into it. Since this account represents the proprietor, it must be debited with losses and credited with gains, and the items will appear as shown on page 106.

Finding the difference between the two sides to be \$44, we write this amount in red ink on the smaller side, with the name of the proprietor's account in the item column, and transfer the amount at once to the opposite side of the proprietor's account in black ink, with the name of the account from which it has been taken, thus crediting him with his net gain for the period covered by the record.

We are now ready to close the proprietor's account. Since this shows what the business owes the proprietor, — in other words, one of the liabilities of the concern, — it is closed with a "Balance."

The work of closing the Ledger is now practically complete, but for the purpose of testing the

accuracy of our work and exhibiting the assets and liabilities in a convenient form, we open one more account and call it Balance.

On the debit side of this we collect the assets, and on the credit side we collect the liabilities. In other words, we close the real accounts into Balance. Since the business owes its net value to the proprietor, it is clear that assets and liabilities are always equal. The amounts of the two sides are equal, and we conclude that our work is correct.

The pupil should notice that *all red ink entries are transferred to the accounts named in the item columns, and written there on the opposite sides in black ink, with the names of the accounts from which they have been taken.*

Balances are all "brought down," — that is, written on the opposite sides of the accounts in black ink below the double red lines, — in order that the Ledger may show all the assets and liabilities.

Losses and gains are not brought down, for they appear in the new balance of the Stock (or proprietor's) account.

The following pages show the Ledger as it appears when closed.

EXERCISE 10. LEDGER. (*Closed.*)

Dr.				JAMES BROWN.				Cr.			
1891				1891							
Jan. 1	Sundries	98	1700	Jan. 1	Sundries	98	4200				
" 17	Balance <i>W.C.</i>		2544	" 17	Loss & Gain <i>W.C.</i>	106	44				
			4244				4244				
				Jan. 17	Balance <i>W.C.</i>		2544				

Dr.				MERCHANDISE.				Cr.			
1891				1891							
Jan. 1	James Brown	98	3000	Jan. 2	J. C. Newhall	98	37 50				
" 3	Cash	98	39 62	" 5	Bills Receivable	98	46 29				
" 12	Cash	99	300	" 10	Cash	98	150				
" 15	Reed & Morgan	99	261 42	" 16	Sundries	99	226 25				
" 17	Loss and Gain		59	" 17	Balance (Inventory)		3200				
			3660 04				3660 04				
Jan. 17	Balance		3200								

Dr.				CASH.				Cr.			
1891				1891							
Jan. 1	James Brown	98	1200	Jan. 3	Mdse.	98	39 62				
" 8	J. C. Newhall	98	25	" 6	Reed & Morgan	98	200				
" 10	Mdse.	98	150	" 7	Expense	98	15				
" 13	Bills Receivable	99	46 29	" 9	Bills Payable	98	200				
" 16	Mdse.	99	50	" 12	Mdse.	99	300				
			1471 29	" 17	Balance		716 67				
							1471 29				
Jan. 17	Balance		716 67								

Dr.		REED & MORGAN.				Cr.	
1891				1891			
Jan. 6	Cash	98	200	Jan. 1	James Brown	98	1200
" 17	Balance		1261 42	" 15	Mdse.	99	261 42
			1461 42				1461 42
				Jan. 17	Balance		1261 42

Dr.		BILLS PAYABLE.				Cr.	
1891				1891			
Jan. 9	Cash	98	200	Jan. 1	James Brown	98	500
" 17	Balance		300				500
			500				500
				Jan. 17	Balance		300

Dr.		JAMES C. NEWHALL.				Cr.	
1891				1891			
Jan. 2	Mdse.	98	37 50	Jan. 8	Cash	98	25
			37 50	" 17	Balance		12 50
							37 50
Jan. 17	Balance		12 50				

Dr.		BILLS RECEIVABLE.				Cr.	
1891				1891			
Jan. 5	Mdse.	98	46 29	Jan. 13	Cash	99	46 29
" 16	Mdse.	99	150	" 17	Balance		150
			196 29				196 29
Jan. 17	Balance		150				

Dr.		EXPENSE.				Cr.	
1891				1891			
Jan. 7	Cash	98	15	Jan. 17	Loss and Gain		15

Dr.		HENRY P. BALL.				Cr.	
1891				1891			
Jan. 16	Mdse.	99	26 25	Jan. 17	Balance		26 25
Jan. 17	Balance		26 25				

Dr.		LOSS AND GAIN.				Cr.	
1891				1891			
Jan. 17	Expense	L. 106	15	Jan. 17	Mdse.	L. 105	59
" "	James Brown		44				59
			59				59

Dr.		BALANCE.				Cr.			
1891						1891			
Jan. 17	Mdse.	105	3200		Jan. 17	Reed & Morgan	106	1261	42
" "	Cash	105	716	67	" "	Bills Payable	106	300	
" "	J. C. Newhall	106	12	50	" "	James Brown	105	2544	
" "	Bills Receivable	106	150						
" "	Henry P. Ball	106	26	25					
		4105 42						4105 42	

RULES FOR CLOSING THE LEDGER.

The methods explained in the preceding pages may be summarized in the following rules:—

1. Credit representative accounts with their respective inventories of resources, and debit them with inventories of indebtedness.
2. Close representative accounts into Loss and Gain.
3. Close Loss and Gain into Stock.
4. Close inventories and real accounts into Balance.

Make Journals and Ledgers for the following memoranda:—

EXERCISE 11.

Hall C. Robbins of Pittsfield, N.H., begins business, Feb. 2, 1891, with the following resources: Cash, \$3000; Mdse., \$2800.

He owes James Clark on $\frac{1}{2}\%$ \$390; Ham Jacobs, \$962. He owes John S. Tarbox on note \$1000.

- Feb. 3. Buys for cash, Safe, \$150; Account-books, \$15.
 " 4. Sells Mdse. for cash, \$200.
 " 5. Buys Mdse. on note, \$300.
 " 6. Sells James Clark on $\frac{1}{2}\%$ Mdse., \$396.
 " 7. Buys Mdse. of P. S. Twombly on note, \$500.
 " 9. Sells Henry Doolittle on note Mdse., \$600.
 " 10. Buys Mdse. of Chas. Fall on $\frac{1}{2}\%$, \$700.
 " 11. Sells Henry Adams Mdse. for cash, \$390.
 " 12. Pays cash for advertising, \$30.
 " 13. Pays Tarbox's note, \$1000.
 " 14. Henry Doolittle pays his note, \$600.
 " 14. Mdse. on hand, \$2600; Safe, \$100.

EXERCISE 12.

Henry L. Perkins of Westfield, Mass., begins business with Cash, \$2500, March 2, 1891. He buys for cash a stock of Mdse. for \$1800. Pays rent six months in advance, \$150. Pays for sundry expenses connected with opening the business, \$36.42.

- March 3. Sells Mdse. for cash, \$150.
 " 4. Sells Mdse. to Henry Marshall on $\frac{1}{2}\%$, \$390.
 " 5. Buys Mdse. of Harold P. Spencer on $\frac{1}{2}\%$, \$300.
 " 6. Sells Mdse. to Charles Cram on note, \$362.
 " 7. Buys Mdse. of Henry Marshall on $\frac{1}{2}\%$, \$262.

- March 9. Sells Mdse. to Henry Marshall on $\frac{a}{c}$, \$261.42.
 " 10. Buys Mdse. for cash, \$362.
 " 11. Pays cash for Insurance, \$31.25.
 " 12. Pays clerk hire, \$20.
 " 13. Mdse. on hand, \$1500; Unexpired rent, paid in advance, \$137.50.

EXERCISE 13.

Harmon T. Smith of Castine, Me., begins business Apr. 1, 1891, with Cash, \$1300; Mdse., \$1800.

- Apr. 2. Sells Mdse. for cash, \$80.
 " 3. Buys Mdse. on note, \$180.
 " 4. Sells Mdse. for note, \$100.
 " 6. Pays clerk hire, \$5.
 " 7. Buys Mdse. of James Bird on $\frac{a}{c}$, \$185.
 " 8. Sells Henry Tarbell Mdse. on $\frac{a}{c}$, \$362.
 " 9. Pays for advertising, \$7.50.
 " 9. Mdse. on hand, \$1800.

The pupil will notice that the records of the memoranda in these three exercises are not complete, for they do not state the kind and amount of merchandise bought and sold. The invoices and Sales Books would give this information.

EXERCISE 11.

<i>Dr.</i>	TRIAL BALANCE.		<i>Cr.</i>
2352	<i>Hall C. Robbins</i>	5800	
4190	<i>Cash</i>	1195	
4300	<i>Merchandise</i>	1586	
396	<i>James Clark</i>	390	
	<i>Ham Jacobs</i>	962	
1000	<i>Bills Payable</i>	1800	
195	<i>Expense</i>		
600	<i>Bills Receivable</i>	600	
	<i>Charles Fall</i>	700	
13033	<i>Total</i>	<i>Total</i>	13033

EXERCISE 12.

<i>Dr.</i>	TRIAL BALANCE.		<i>Cr.</i>
	<i>Henry L. Perkins</i>	2500	
2650	<i>Cash</i>	2399	67
2724	<i>Merchandise</i>	1163	42
237 67	<i>Expense</i>		
651 42	<i>Henry Marshall</i>	262	
	<i>Harold P. Skinner</i>	300	
362	<i>Bills Receivable</i>		
6625 09	<i>Total</i>	<i>Total</i>	6625 09

EXERCISE 13.

TRIAL BALANCE.

<i>Dr.</i>			<i>Cr.</i>
		<i>Harmon T. Smith</i>	3100
2100		<i>Cash</i>	12 50
2165		<i>Merchandise</i>	1262
		<i>Bills Payable</i>	180
100		<i>Bills Receivable</i>	
12 50		<i>Expense</i>	
		<i>James Bird</i>	185
362		<i>Henry Tarbell</i>	
4739 50	<i>Total</i>	<i>Total</i>	4739 50

THE JOURNAL DAY BOOK.

Sometimes the Day Book and Journal are combined in one. In this case usually the Journal entries appear first, and the Day Book entries are arranged under them in such a way as to use the space as economically as possible.

EXERCISE 14. JOURNAL DAY BOOK. (*First Form.*)

Bancroft, Ohio, June 1, 1891.

	<i>Cash</i>	2500		
	<i>Mdse.</i>	1600		
	<i>Bills Receivable</i>	376		
	<i>Bills Payable</i>		196	
	<i>Henry Dole</i>		261	42
	<i>Cobb & Caldwell</i>		147	37
	<i>Stock</i>		3871	21
	<i>Henry C. Thompson engages in Flour and Grain business with above assets and liabilities.</i>			
2	<i>Mdse.</i>	<i>Cash</i>	1230	1230
	<i>Bought 300 bbls. Flour @ \$4.10</i>			
3	<i>Cash</i>	350		
	<i>Bills Receivable</i>	<i>Mdse.</i>	1000	1350
	<i>Sold James C. Brown 300 bbls. Flour @ \$4.50</i>			
4	<i>Bills Payable</i>	<i>Cash</i>	196	194 04
		<i>Discount</i>		1 96
	<i>Discounted our note, favor of James Pease due July 4</i>			
5	<i>Expense</i>	<i>Cash</i>	150	150
	<i>Bought Safe for use in office</i>			
6	<i>James C. Baldwin</i>	<i>Mdse.</i>	950	950
	<i>Sold 200 bbls. Flour @ \$4.75</i>			
		<i>Carried forward</i>	8352 00	8352 00

EXERCISE 14. JOURNAL DAY BOOK. (*Second Form.*)

Bancroft, Ohio, June 8, 1891.

		<i>Forward</i>	8352		8352
	<i>Expense</i>	<i>Paid Henry Brown for services</i>	15		15
	<i>Cash</i>	<i>last week</i>			
9	<i>Cash</i>	<i>Henry C. Bowman has paid his</i>	376		376
	<i>Bills Receivable</i>	<i>note due this day</i>			
10	<i>Cobb & Caldwell</i>	<i>Paid them in full of account</i>	147	37	147 37
	<i>Cash</i>				
11	<i>Mdse.</i>	<i>Bought of Jones & Clapp 210</i>	756		756
	<i>Cash</i>	<i>bbls. Flour @ \$4 \$840</i>			
		<i>less 10% \$84</i>			
12	<i>Expense</i>	<i>Paid for Advertising in Ban-</i>	13	72	13 72
	<i>Cash</i>	<i>croft Gazette</i>			
13	<i>Cash</i>	<i>300 bbls. Flour to Henry Gor-</i>	1350		1350
	<i>Mdse.</i>	<i>don @ \$4.50</i>			
		<i>Footing</i>	11010	09	11010 09

REMARKS.

The Journal of Exercise 14 should be posted, balanced, and closed. The Balance account is shown below. [Inventory of Mdse. on hand June 13, 25 bbls. Flour @ \$4. The Safe, charged to Expense, may be assumed to be as good as new.]

The pupil will notice the difference between the two methods of opening the Journal. The method exhibited in Exercise 13 seems to be preferable to that illustrated under Exercise 10.

EXERCISE 14.

<i>Dr.</i>				<i>BALANCE.</i>				<i>Cr.</i>
1891				1891				
June 13	<i>Cash</i>		2069	87	June 23	<i>Henry Dole</i>	261	42
	<i>Mdse.</i>		100			<i>Stock</i>	4008	45
	<i>Bills Receivable</i>		1000					
	<i>Expense</i>		150					
	<i>James C. Baldwin</i>		950					
			4269	87			4269	87

EXERCISE 15.

Write a Journal Day Book for the transactions of Exercise 11, supplying the omitted Day Book entries.

EXERCISE 16.

Write a Journal Day Book for the transactions of Exercise 12, supplying the omitted Day Book entries.

EXERCISE 17.

Write a Journal Day Book for the transactions of Exercise 13, supplying the omitted Day Book entries.

QUESTIONS.

What are we now to study? For what transactions are the forms of double entry used? What determine which of the two methods is to be used? What is said of the difference between the two systems? What is the first distinguishing feature of double-entry book-keeping? What two equalities are mentioned? What method of testing the accuracy of the work is mentioned? What is the second distinguishing feature of double entry? What is the result of this feature? What does Bills Payable account include? Bills Receivable? Expense? What does Stock represent? What does Discount include? Services? What is Commission? Exchange? What are Shipments? Consignments? Labor, Freight, and Advertising? What is the great underlying principle of double-entry book-keeping? How is this principle often expressed? Why is this statement incorrect? How many representative transactions are enumerated? What is said of these illustrations? (The teacher should drill the pupils upon these transactions until they can select the debtor and creditor with facility.) What is said of combinations of these transactions?

What is the Journal? Describe its form. Where is the date? What is placed in the second column? When? In the third column? The fourth column? Fifth? Sixth? Seventh? Explain the transaction recorded in the first Journal entry. Second. Third. What words are omitted, and why? How should the entries be read? What business is represented in Exercise 10? What do the red figures in the Day Book represent? Should you make them in copying the Day Book? What does the check-mark indicate? What is said of the use of this form of Day Book? What caution is given in regard to accuracy? Where may the date be written? Where should the ruled red lines be placed? When should the check-marks be made? What is said of the form of Journal here illustrated? What direction for footing the money columns? Where may the date be written? To what book are the items recorded in the Journal transferred? What is said of the double-entry Ledger? Describe in full the process of posting. What does the word Sundries in the Ledger indicate? When should the Ledger page be put in the Journal? (N.B. — The teacher should see that his pupils form the habit of posting in accordance with the directions given in the book.) What is the purpose of taking a trial balance? How frequently do book-keepers take trial balances of their Ledgers? Describe the trial balance given in the book. Make another from the one given in the book by putting in the money columns the differences between the sides of the several accounts. Does this balance? What errors are not disclosed by a Trial Balance? What directions are given for footing Ledger columns? When may the pencil footings be omitted? What is said about avoiding errors? Give directions for finding errors. Explain the method of checking entries. Give the directions for reading numbers aloud. How should errors be corrected in books of original entry? What is said of erasures? What is the purpose of closing the Ledger? What is the meaning of this expression? What are representative accounts? Real accounts? Give examples of each. What is the difference between the two sides of a real account called? Of a representative account? In closing a Ledger, what four questions do we ask of every account? In what kind of ink is the closing entry made? What are the principal representative accounts? Real accounts? What is meant by closing one account into another? Into what are representative accounts always closed? What is done with a worthless real account? Into what are other real accounts closed? How often do book-keepers close their Ledgers? How often are the exercises given in this book to be closed? Why so often? What are the principal resources which are ascertained by taking an inventory? What liabilities would be ascertained by an inventory?

What does the debit side of the proprietor's account show? The credit? Why do we not close the proprietor's account first? When do we close it? What does the debit side of Merchandise account show? The credit side? Why does the difference between the two sides not show how much we have gained or lost on our merchandise? How may we obtain the gain or loss? How do we find it? Do the two methods give the same result? How is the Cash account closed? The Expense account? How are personal accounts closed? What gain has been found? What loss has been found? What could be done with them? What is a better and simpler way? Why do we open a Loss and Gain account? On which side of the Loss and Gain (often called Profit and Loss) account are the losses gathered? Why? The gains? Why? Into what account is the Loss and Gain account closed? Explain the process. Why is Stock account closed with a balance? Explain the method of making the Balance account. Why are assets and liabilities always equal?

What has been done with all red ink entries? What is done with balances? Why? Are losses and gains brought down? Where do they appear?

Give the four general rules for closing the Ledger.

When the Day Book and the Journal are combined, where are the Day Book entries placed? Explain the difference between the two forms exhibited. Which method do you prefer? Why?

CHAPTER IX.

FORM VI.

RETAIL DRY AND FANCY GOODS BUSINESS.

The principles presented in the preceding chapter are of general application; and the forms described can be used in connection with proper auxiliary books to record any business transactions.

But in double entry, as in single entry, book-keepers find it best to use special forms adapted to the various kinds of business which they record.

In this chapter we describe a form adapted to the use of retail dealers in dry and fancy goods.

EXERCISE 18.

Let us suppose that Mr. Peter C. Bolton, whose business for one month is represented below, desires to keep his books by double entry, beginning on Jan. 1, 1890.

Jan. 1, 1890. Cash in First National Bank, \$326.25; cash in safe, \$47.25.

The Invoice Register shows the following unpaid bills:—

Amount.	Payee.	Date.	Terms.
\$37.52,	Shepard, Norwell & Co.,	Dec. 15, 1889,	5/30.
46.05,	Shepard, Norwell & Co.,	Dec. 26, 1889,	1/10.
21.37,	Walker, Stetson, Sawyer Co.,	Dec. 26, 1889,	5/30.
61.40,	Jackson, Mandell & Daniell,	Dec. 30, 1889,	5/30.
37.55,	Coleman, Mead & Co.,	Dec. 24, 1889,	5/30.

The Ledger shows corresponding balances in favor of these jobbers, and the following balances against customers:—

A. B. Clark,	\$ 3.62.
D. Cochrane,	21.42.
F. O. Landon,	39.27.
E. E. Devoll,	21.21.
F. M. Leavitt,	26.42.
L. W. Merriam,	91.21.

The following bills were paid in cash:—

D. Cochrane,	\$21.42.
E. E. Devoll,	21.21.
F. M. Leavitt,	26.42.

On this day sold on $\frac{1}{2}\%$ to S. A. Miles, 1 yd. flannel, 25¢; 2 yds. do. @ 20¢; $\frac{3}{8}$ yd. lace @ 25¢; $\frac{1}{2}$ yd. do. @ 20¢. To J. H. Russell, 1 yd. cambric, 7¢; 7 yds. cotton @ 5¢; 3 yds. silesia @ 18¢. To L. W. Merriam, 4 yds. cotton @ 10¢; 1 pattern, 25¢. To F. M. Leavitt, 1 pr. gloves, 38¢; 1 bottle cologne, 25¢; 1½ yds. hamburg @ 12½¢. To E. E. Devoll, 2 pr. hose @ 25¢, 4 yds. lace @ 35¢, 2 vests @ 25¢. To F. O. Landon, 2 vests @ 30¢, 5 yds. lace @ 25¢. Paid S., N. & Co.'s bill of Dec. 26, less discount. Cash on hand at close of business, \$437.63.

Jan. 2. Charged the following: To D. Cochrane, 1 tie, 37¢; 1 yd. cotton, 5¢. To A. B. Clark, 1 spool basting cotton, 5¢; 2 bones @ 11½¢; 1 yd. cambric, 12¢. To F. M. Leavitt, 1 pr. sleeve buttons, 50¢; 1 pattern, 35¢. To S. A. Miles, 1½ doz. buttons @ 25¢. To J. H. Russell, 1 pr. hose, 50¢.

To L. W. Merriam, 1 pr. hose supporters, 25¢. Bought of Coleman, Mead & Co., invoice of goods, \$91.25 on 1/10. Cash on hand at close of business, \$488.84.

Jan. 3. Charges: A. B. Clark, elastic, 5¢; trimming, 19¢. D. Cochrane, 3 yds. crash @ 10¢. F. O. Landon, 1 belt, 25¢; 3 bones @ 12¢. Drew out for personal use, \$20. Cash on hand at close of business, \$530.21.

Jan. 4. Charges: E. E. Devoll, 8 yds. silk braid @ 10¢; 1 yd. cambric, 8¢. F. M. Leavitt, 8 yds. cotton @ 12½¢; ½ yd. linen @ 50¢. L. W. Merriam, 1 net, 5¢; 1½ doz. buttons @ 18¢; 2 yds. cotton @ 9¢. J. H. Russell, remnant of cambric, 13¢; 1 collar, 10¢; 1 pr. gloves, \$1. S. A. Miles, 1 pattern, 25¢; 1½ doz. buttons @ 25¢. E. E. Devoll, 1 pc. braid, 6¢; 1 pattern, 30¢. Paid for labor this week, Henry Paul, \$9; Annie C. Rand, \$5. Drew out for personal use, \$15. Cash on hand at close of business, \$592.61.

Jan. 6. Charges: F. O. Landon, 1 spool twist, 5¢; 2 spools silk @ 9¢. D. Cochrane, 1 shirt, \$1. A. B. Clark, 1 skirt, \$1; 1 collar, 25¢; 6 yds. crinoline @ 12½¢. S. A. Miles, 6 spools silk @ 9¢; 4 spools twist @ 5¢. Bought of Jackson, Mandell & Daniell, invoice of goods, 5/30, \$56.25. Paid for advertising, \$15. Cash on hand at close of business, \$622.63.

Jan. 7. Charges: F. O. Landon, 10 yds. cambric @ 6¢; 2 yds. silesia @ 22¢; 8 bones @ 12½¢. E. E. Devoll, 1 pattern, 25¢. Cash on hand at close of business, \$653.88.

Jan. 8. Charges: L. W. Merriam, 6 pes. tape @ 5¢; 4 towels @ 25¢; yarn and needles, 8¢. J. H. Russell, 1 pr. mittens, 25¢; 2 yds. cotton @ 5¢. S. A. Miles, 4 towels @ 25¢. Cash on hand at close of business, \$695.17.

Jan. 9. Charges: A. B. Clark, 1 tie and pin, \$1.50; 1 shirt, \$1; 3 prs. hose @ 25¢; 3 collars @ 25¢; 1 pr. cuffs, 25¢. D. Cochrane, 3 yds. flannel @ 20¢. Cash on hand at close of business, \$757.58.

Jan. 10. Charges: F. O. Landon, 1 pr. blankets, \$2.50; 4 comforters @ \$2. E. E. Devoll, 3 prs. hose @ 30¢, 6 yds. cotton @ 5¢. Paid C., M. & Co.'s bill due Jan. 12, \$91.25, less 1%. Cash on hand at close of business, \$722.08.

Jan. 11. Charges: F. M. Leavitt, 6 towels @ 25¢; 1 spool thread, 5¢; 4 yds. cambric @ 7¢; 1 mirror, 75¢. L. W. Merriam, 2½ yds. alpaca @ 20¢; 2¼ yds. veiling @ 21¢; 1 pr. gloves, 40¢. Paid clerk-hire, Henry Paul, \$9; Annie C. Rand, \$5. Cash at close of business, \$760.

Jan. 13. Charges: J. H. Russell, 2 yds. flannel @ 20¢; ½ yd. silesia @ 12¢. S. A. Miles, ¾ yd. flannel @ 75¢; 1¼ yds. insertion @ 20¢. Drew out for personal use, \$10. Cash at close of business, \$831.42.

Jan. 14. Charges: A. B. Clark, 1 pr. gloves, 45¢; 2 yds. flannel @ 60¢; 2 prs. drawers @ 50¢. D. Cochrane, 1 pr. gloves, 50¢; 1½ doz. buttons @ 37½¢; 1 yd. cotton, 5¢; 2 prs. drawers @ 50¢. Paid S., N. & Co.'s bill due this day, less 5% discount. Cash on hand at close of business, \$839.51.

Jan. 15. Charges: F. O. Landon, 2 yds. flannel @ 60¢; 2 spools silk @ 10¢; 2 spools twist @ 5¢; 2 sticks braid @ 7¢. E. E. Devoll, 1 yd. ruching, 50¢; 1 pr. hose, 50¢. Cash on hand at close of this day's business, \$850.37.

Jan. 16. Charges: F. M. Leavitt, 1 table cover, \$3; 14 yds. cambric @ 12½¢; 2 prs. hose @ 35¢. L. W. Merriam, 4 comforters @ \$2.25. J. H. Russell, 2 yds. crinoline @ 12¢. Cash on hand at close of business, \$870.97.

Jan. 17. Charges: S. A. Miles, 2 yds. flannel @ 50¢; 3 spools cotton @ 5¢. F. M. Leavitt, 1 pr. gloves, \$1.25. F. O. Landon paid cash on a/c, \$40. Cash on hand at close of business, \$960.27.

Jan. 18. Charges: E. E. Devoll, ¾ yd. elastic @ 10¢; 1 pc. yarn, 3¢; 1½ yds. lace @ 10¢. F. O. Landon, 2 doz. buttons @ 3¢; 3 yds. cambric @ 7¢. Paid clerks in cash, Henry Paul, \$9; Annie C. Rand, \$5. Cash on hand at close of business, \$1000.22.

Jan. 20. Charges: D. Cochrane, 1½ yds. lace @ 37½¢; 1 comb, 15¢. A. B. Clark, 1 pr. mittens, 25¢. Paid Hunt & Babson, express bill for December, \$3.75. Bought of Walker, Stetson, Sawyer Co. at 5/10, invoice mdse., \$141.37. Drew out for personal use, \$15. Cash on hand at close of business, \$1021.46.

Jan. 21. Charges: S. A. Miles, 1 pattern, 37¢; 2 shirts @ 37½¢; 1 pr. drawers, \$1. J. H. Russell, 1 spool silk, 10¢; 1¼ yds. insertion @ 20¢. Paid rent for last quarter of 1889, \$150. L. W. Merriam paid cash on ¼, \$100. Paid C., M. & Co.'s bill for \$37.55, less discount. Cash on hand at close of business, \$1010.21.

Jan. 22. Charges: L. W. Merriam, 1 pc. linen, \$2; 2 prs. hose @ 25¢. F. M. Leavitt, 10 yds. print @ 6¢. Cash on hand at close of business, \$1041.56.

Jan. 23. Charges: F. M. Leavitt, 3 yds. cambric @ 7¢; 1 pc. braid, 7¢. E. E. Devoll, 2 shirts @ 75¢. F. O. Landon, 2 doz. buttons @ 18¢. Paid Walker, Stetson, Sawyer Co. bill of 20th inst., discount, 5%. Cash on hand at close of business, \$935.21.

Jan. 24. Charges: D. Cochrane, 1 pattern, 35¢; 3 yds. cambric @ 7¢. A. B. Clark, 1½ yds. lace @ 10¢; 2 doz. buttons @ 22¢. Paid W., S., S. Co's bill for \$21.37, less discount. Cash on hand at close of business, \$960.02.

Jan. 25. Charges: S. A. Miles, 1 tie, 50¢; 1 pattern, 37¢; 1 spool silk, 8¢. J. H. Russell, 2¼ yds. torchon lace @ 11¢; 1 spool twist, 5¢. A. B. Clark paid \$10 on ¼. Drew out for personal use, \$25. Cash on hand at close of business, \$980.37.

Jan. 27. Charges: L. W. Merriam, ¾ yd. canvas @ 20¢; 2 yds. crinoline @ 14¢. F. M. Leavitt, 2 bones @ 12½¢; 1 vest, 38¢. L. W. Merriam, 1 tie, 75¢. Cash on hand at close of business, \$1015.62.

Jan. 28. Charges: A. B. Clark, 1 pattern, 15¢; 1 pr. gloves, \$1; 1 paper pins, 6¢. D. Cochrane, 1 yd. cambric, 5¢; 2 yds. cotton @ 5¢. F. O. Landon, 3 yds. crinoline @ 14¢; 1 sheet wadding, 5¢: 2 sticks twist @ 5¢. Paid J., M. & D.'s bill for \$61.40, less discount. Cash on hand at close of business, \$976.21.

Jan. 29. Charges: E. E. Devoll, 1½ yds. silesia @ 18¢; 1 pr. hose, 25¢; 2½ yds. crinoline @ 10¢. F. M. Leavitt, 1 pr. gloves, 38¢; 3 doz. buttons @ 37½¢. Cash on hand at close of business, \$1020.14.

Jan. 30. Charges: L. W. Merriam, 12 sheets @ 90¢; 1 pr. hose, 37¢. J. H. Russell, 1 paper needles, 5¢; 1 net, 50¢; 1 veil, 7¢. Cash on hand at close of business, \$1075.21.

Jan. 31. Charges: S. A. Miles, 3 collars @ 20¢; 1 pr. hose, 25¢; 10 yds. cotton @ 10¢. A. B. Clark, 1 pr. gloves, 38¢; 1 comb, 25¢; 1 net, 50¢. D. Cochrane, 1 spool twist, 5¢; 6 yds. cotton @ 8¢. Drew out for personal use, \$25. Cash on hand at close of business, \$1131.42.

It is necessary first to ascertain his entire assets in order that he may make the proper entries in the Stock Account (Principles 28, 29). The memoranda on page 113 gives a complete statement of these with the exception of the amount of Merchandise on hand.

He takes an inventory of this and finds that it has cost him \$3621.42.

His second step is to make a statement of his assets and liabilities, as follows:—

PETER C. BOLTON.

Assets.					Liabilities.				
1890					1890				
Jan. 1	Cash	52	373	50	Jan. 1	Shepard, Norwell & Co.	57	83	57
	Mdse. (Inv.)		3621	42		W., S., S. Co.	54	21	37
	A. B. Clark	56	3	62		J., M. & D.	55	61	40
	D. Cochrane	56	21	42		C., M. & Co.	56	37	55
	F. O. Landon	54	39	27		Stock		3994	18
	E. E. Devoll	54	21	21					
	F. M. Leavitt	57	26	42					
	L. W. Merriam	57	91	21					
			4198	07				4198	07

This statement may be made in the Ledger or on a separate sheet of paper. It should be preserved for reference.

His third step will be to open a Journal and to put into it the record of the condition of his business.

If he makes a Journal Day Book, his record may be as follows : —

Wakefield, Mass., Jan. 1, 1890.

116	Cash per Cash Book	373	50	
116	Merchandise per Inventory	3621	42	
56	A. B. Clark, On $\frac{a}{c}$	3	62	
56	D. Cochrane, "	21	42	
54	F. O. Landon, "	39	27	
54	E. E. Devoll, "	21	21	
57	F. M. Leavitt, "	26	42	
57	L. W. Merriam, "	91	21	
57	Shepard, Norwell & Co., On $\frac{a}{c}$			83 57
54	Walker, Stetson, Sawyer Co. "			21 37
55	Jackson, Mandell & Daniell, "			61 40
56	Coleman, Mead & Co. "			37 55
116	Stock Net Investment,			3994 18

His fourth step will be to post the Journal. All but three of the items, Cash, Merchandise, and Stock, are already in the Ledger and will therefore require no posting. He will place the appropriate page numbers in the Journal in their proper places to indicate this fact. Cash, Merchandise, and Stock accounts must be opened and the proper amounts must be posted to them from the Journal. These three new accounts will appear as follows : —

Dr.		STOCK.				Cr.	
				1890			
				Jan. 1	Sundries	116	3994 18

Dr.		MERCHANDISE.				Cr.	
1890							
Jan. 1	Sundries	116	3621	42			

Dr.		CASH.				Cr.	
1890							
Jan. 1	Sundries	116	373	50			

Note. — He may omit the Journal entirely, and simply open a Merchandise account, a Cash account, and a Stock account, and enter the proper items. The following Set illustrates a method of abbreviating the Journal when there are many personal accounts.

These four steps constitute all that he will need to do in making the change from single to double entry.

The regular transactions of the day will then be recorded in the order of their occurrence precisely as in single entry.

At the close of the day, week, or month, he will make the few additional entries which are required to cause the necessary equality between the two sides of the Ledger, as follows:—

He foots his Sales Book and so ascertains the amount of credit sales. He make the entry “Merchandise, Cr.” and posts the amount to the Merchandise account in the Ledger.

The Sales Book closed for the day will present the following appearance:—

Wakefield, Mass., Jan. 1, 1890.

<i>S. A. Miles</i>			
	1 yd. Flannel	25	
	2 yds. Flannel @ 20¢	40	
	$\frac{3}{8}$ yd. Lace @ 25¢	09	
55	$\frac{1}{2}$ yd. Lace @ 20¢	10	84
<i>J. H. Russell</i>			
	1 yd. Cambric	07	
	7 yds. Cotton @ 5¢	35	
55	3 yds. Silesia @ 18¢	54	96
<i>L. W. Merriam</i>			
	4 yds. Cotton @ 10¢	40	
57	1 Pattern	25	65
<i>F. M. Leavitt</i>			
	1 pr. Gloves	38	
	1 bottle Cologne	25	
57	$1\frac{1}{2}$ yds. Hamburg @ $12\frac{1}{2}$ ¢	19	82
<i>E. E. Devoll</i>			
	2 prs. Hose @ 25¢	50	
	4 yds. Lace @ 35¢	1 40	
54	2 Vests @ 25¢	50	2 40
<i>F. O. Landon</i>			
	2 Vests @ 30¢	60	
54	5 yds. Lace @ 25¢	1 25	1 85
116	Merchandise, Cr.		7 52

He next takes the Cash Book, and posts the several items in their order.

Some of these items deserve especial attention. Cash paid for rent, clerk-hire, labor, advertising, etc., should be entered under Expense. Cash paid to the proprietor for his personal use should be carried to a new account bearing the proprietor's name. This is called his personal account. When the Ledger is closed, the proprietor's personal account is closed into the Stock account.

Cash received for merchandise is posted to the Merchandise account and entered on the credit side.

CASH.

Dr.

1890							
Jan. 1		Balance				373	50
	116	Merchandise (Discount, S., N. & Co.)		46			
	56	D. Cochrane on $\frac{1}{2}\%$	21	42			
	54	E. E. Devoll on $\frac{1}{2}\%$	21	21			
	57	F. M. Leavitt on $\frac{1}{2}\%$	26	42			
	116	Merchandise, Sales	40	67			
	116	Cash, Dr.				110	18
						483	68
Jan. 2		Balance				437	63
	116	Merchandise, Sales	51	21			
	116	Cash, Dr.				51	21
						488	84
Jan. 3		Balance				488	84
	116	Merchandise, Sales	61	37			
	116	Cash, Dr.				61	37
						550	21
Jan. 4		Balance				530	21
	116	Merchandise, Sales	91	40			
	116	Cash, Dr.				91	40
						621	61
Jan. 6		Balance				592	61

INVOICE REGISTER.

	No.	Payee.	Terms.	Date.	Amount.
57	39	Shepard, Norwell & Co.	5/30	Dec. 15	37 52
56	40	Coleman, Mead & Co.	5/30	" 24	37 55
57	41	Shepard, Norwell & Co.	1/10	" 26	46 05
54	42	Walker, Stetson, Sawyer Co.	5/30	" 26	21 37
55	43	Jackson, Mandell & Daniell	5/30	" 30	61 40
					203 89
56	44	Coleman, Mead & Co.	1/10	Jan. 2	91 25
55	45	Jackson, Mandell & Daniell	5/30	" 6	56 25
54	46	Walker, Stetson, Sawyer Co.	5/10	" 20	141 37
116		Merchandise, Dr.			288 87

The total cash received for the day (week, or month) is carried to the debit side of the Cash account in the Ledger, and the total amount paid out is carried to the credit side.

When a discount is allowed for payment of an invoice before it becomes due, the credit side of the Cash Account should record the full amount of the invoice, and the debit side should record the discount as cash received for Merchandise. In this way the Cash Book represents the actual amount of cash paid. The discounts should be posted to the Merchandise account because they are needed to show the actual cost of the merchandise.

The Cash Book closed for the week will present the appearance which it has on pages 118 and 119.

Lastly, if invoices have been received during the day, the book-keeper turns to the Invoice Register, and posts the items to their appropriate accounts. Whenever he wishes to take a trial balance of his Ledger, he foots the "Amount" column of the Invoice Register, and posts the footing to the debit side of Merchandise account, because merchandise to this amount has been received. This should be done at the close of every month. The appearance of the Invoice Register at the close of the month is shown on pages 118 and 119.

REMARKS.

When the amount of business is small, the Cash Book and Sales Book may be posted and closed monthly instead of daily.

When the business is large, the Invoice Register may be closed daily.

The pupil should complete the entire record of Journal, Sales Book, Cash Book, Invoice Register, and Ledger as required for the memoranda on pages 113-115, and balance and close his Ledger on Jan. 31. If his work is correct, he will obtain the following Balance account.

[The inventory of merchandise to be used is \$3000. Due for clerk hire, \$28.]

Dr.		BALANCE.		Cr.	
1890			1890		
Feb. 1	Cash	1131 42	Feb. 1	J. M. & D.	56 25
	F. O. Landon	17 34		Expense	28
	E. E. Devoll	8 62		Stock	4135 76
	S. A. Miles	10 47			
	J. H. Russell	5 01			
	A. B. Clark	6 34			
	D. Cochrane	6 38			
	F. M. Leavitt	15 22			
	L. W. Merriam	19 21			
	Mdse.	3000			
		4220 01			4220 01

Note. — An account entitled "Discounts" may be opened in the Ledger and all allowances may be posted to it. In this set Cash and Merchandise are posted daily. In the next set they are posted weekly. In the Furniture Set they are posted monthly. The last method is most economical of time and labor.

QUESTIONS.

What kind of business is described in Chapter IX.? What is said of the principles presented in Chapter VIII.? Of the forms? Of special forms? What is given in Chapter IX.? What business is represented? Have you recorded this man's dealings before? By what method? What is his first work in changing his books from single entry to double entry? Why? Give the principles referred to. Why does he take an inventory of his merchandise? (Let the pupils ask the dealers with whom they are acquainted how they take an account of stock.) What is his second step? Where should the statement be put? Why should it be preserved? What is his third step? (May the Journal be omitted? If omitted, what should be done?) What method of abbreviating the Journal is referred to in the note? What is his fourth step? What alone is done to most of the Journal entries? Why? What new accounts need to be opened? When he has taken these steps, how will he proceed? When will entries be required that were not required in his record made by single entry? Are these additional entries many? What new facts about his business do they give him? Is the information worth the labor which it costs? Give the additional entries in detail in the order in which he should make them, and state why each should be made. What items are charged to Expense? What new account is spoken of? What is carried to it? (Merchandise taken from the store for the proprietor's use should be charged to his personal account.) What is done with the proprietor's personal account when the Ledger is closed? What is carried to the Cash Account in the Ledger? How often in this set? If the cash were posted only once a week, or once a month, what should be done at the close of each day? When a discount is made for paying bills before they are due, what two methods of treating them are given? Which is illustrated in this set? Explain the additional entries in the Invoice Book. How often does he post the items to the accounts of the persons from whom the goods have been received? How often does he post the cost of his goods to the Merchandise account? Why should the persons be credited promptly? Give the substance of the remarks on page 120.

CHAPTER X.

FORM VII. EXERCISE 19.

RETAIL GROCERY AND PROVISION BUSINESS.

Let us suppose that Sawyer, Pratt & Lyman, whose business for the first eleven days of January, 1890, is recorded on pages 66-84, wish us to change their method of book-keeping from single entry to double entry. What steps must we take?

The preceding explanations and illustrations show us that two great steps are necessary: first, the opening of such new accounts as are needed to give a complete exhibition of assets and liabilities; second, such changes and additions in the books of original entry as will secure the twofold record which is the essential feature of double entry.

On page 84 we find a complete statement of the assets and liabilities of the firm for Saturday, January 11, 1890. Let us inquire first what new accounts must be opened. On examining the list of assets and liabilities, we find four items, Cash, Store Fixtures, Merchandise, and Rent and Taxes, which are not shown in the Ledger. We must therefore open four new accounts, and we will open them in the Credit Ledger, calling this hereafter the General Ledger.

These new accounts will be Cash, Merchandise, Store Fixtures, and Expense. Inasmuch as it is desirable to collect all our accounts in the General Ledger, we will transfer the proprietors' accounts to it and open one more account to represent all the personal accounts of the Debit Ledger. As these are accounts receivable, we will call their account Accounts Receivable Account.

As a preparation for posting we will open a Journal. It will have the following form:—

Munson, Mass., Jan. 13, 1890.

	<i>Cash per C. B.</i>	2165	31		
	<i>Store Fixtures, per Schedule</i>	1500			
128	<i>Merchandise per Inventory</i>	5950	18		
128	<i>Accounts Receivable</i>	204	64		
128	<i>Expense</i>			39	06
	<i>Chas. J. Sawyer</i>			4198	83
	<i>Paul C. Pratt</i>			2616	04
	<i>Henry O. Lyman</i>			2616	54
	<i>Hall & Hubbard</i>			51	46
	<i>Bicknell, Cobb & Co.</i>			76	18
	<i>R. C. Solomon</i>			222	02

The pupil should open a Journal as above, and post to his Ledger "B." He will then take a trial balance of his General Ledger.

What changes must be made in the books of original entry? These are very few. We have already opened a Journal; in this should be placed such items as do not appear in the Order Book, Cash Book, or Invoice Register.

Note.—The Journal may be omitted, and the Ledger opened directly from the statement.

The Cash Book should be kept as exhibited on pages 126 and 127.

The Invoice Register is kept and posted precisely as in the last Form.

The Order Books should distinguish between sales on account and Cash sales. The best method of doing this is to enter the prices of the several articles ordered in the item column as they are recorded, and full extend only such as are to be charged to the accounts of customers.

At the close of the week (or month), the money columns are footed and the amount carried to the credit of Merchandise and to the debit of Accounts Receivable.

Since Rent and Taxes are not paid during the week represented, Expense should be debited with the proper inventory of the indebtedness at the close of the month.

The following exercise is a continuation of Exercise 9. The pupil should make the proper entries in all the books, take a trial balance, and close his General Ledger.

The Cash Book, portions of the Order Book and the General Ledger, the Invoice Register, and the Trial Balance are given on pages 125-129.

MEMORANDA FOR EXERCISE 19.

Monday, Jan. 13, 1890. Order Book No. 1 contains the following orders: Henry Alexander, 1 jar raspberry jam, 25¢; 1 can tomatoes, 12¢. Charles Sylvester, 1 can corn, 15¢; 2 lbs. onions @ 6¢; 1 gal. oil, 13¢; 6½ lbs. beef @ 10¢. S. C. Tower, 1 lb. coffee, 33¢; 1 yeast cake, 2¢; 1 doz. oranges, 35¢.

Order Book No. 3 contains the following orders: Nathaniel Corning, 3 lbs. steak @ 33½¢; 1½ lbs. pork @ 25¢. James Wilson, ½ pk. potatoes, 13¢; 3 gals. oil @ 13¢. D. A. Murdock, 1½ lbs. lamb chop @ 25¢; 1 yeast cake, 2¢.

Order Book No. 5 contains the following orders: Peter G. Wilder, 1 pk. potatoes, 25¢; 1 can corn, 15¢; 2 lbs. rump steak @ 25¢.

Order Book No. 7 contains the following orders: L. W. Day, 1 lb. butter, 33¢; 1 lb. sausage, 12¢.

Bought of Hall & Hubbard, @ 5/30, invoice of meats, \$39.62. Cash on hand at close of business, \$2210.

Tuesday, Jan. 14, 1890. Order Book No. 2 contains the following orders: S. C. Tower, 1¼ lbs. corned beef @ 12¢; 1 pk. potatoes, 25¢. Henry Alexander, 3 pts. pea beans, 15¢; 1 lb. salt pork, 10¢. J. A. Drown, 1 gal. oil, 13¢. G. W. Smith, 1½ lbs. pork steak @ 10¢; 1 pk. potatoes, 25¢. Charles Sylvester, 1 lb. coffee, 35¢.

Order Book No. 4 contains the following orders: Martin Fletcher, 1 qt. milk, 8¢; 2 qts. apples, 10¢. N. Corning, 1 broom, 30¢; ½ lb. cheese, 8¢. D. A. Murdock, 4 qts. onions @ 5¢; 3½ lbs. chicken @ 20¢. Fletcher paid \$30 on %.

Order Book No. 6 contains the following orders: James Wilson, 6 lbs. corned beef @ 12¢; 1 gal. oil, 13¢. W. P. Rogers, ¼ lb. pepper, 10¢; 1 qt. vinegar, 4¢. L. W. Day, soup beef, 10¢; 1 lb. coffee, 35¢.

Order Book No. 8 contains the following orders: W. H. Dunn, 2 doz. oranges @ 25¢. H. E. Stone, 37 Webster St., cash, 1 bbl. flour, \$7.50.

Bought for cash 30 bu. potatoes @ 85¢. Cash on hand at close of business, \$2241.38.

Wednesday, Jan. 15, 1890. Order Book No. 1 contains the following orders: J. A. Drown, 1 chimney, 10¢; ¼ lb. pepper, 10¢; 1 bottle olives, 42¢. G. W. Smith, 1 cake sand soap, 8¢; 1 pkg. soapine, 12¢.

Order Book No. 3 contains the following orders: Nathaniel Corning, 1½ lbs. ham @ 20¢; 1 pk. Baldwin apples, 40¢. Moses White, 5 lbs. soup bone @ 7¢; 1 bbl. flour, \$6.75. D. A. Murdock, 2 cans tomatoes @ 12¢; 1 can corn, 15¢; 2 lbs. rump steak @ 25¢; 1 doz. oranges, 25¢.

Order Book No. 5 contains the following orders: W. H. Dunn, ½ lb. soda crackers, 8¢; 4½ lbs. leg lamb @ 18¢; 1 doz. oranges, 25¢; 1 qt. oysters, 60¢. Peter G. Wilder, 1 can baking powder, 50¢; 1 doz. eggs, 33¢.

Order Book No. 7 contains the following orders: A. C. Cooper, 19 Maple St., cash, 1 lb. currants, 25¢; 2 lbs. mutton chop @ 25¢. Alvin Brown, 17 Pine St., cash, 1 head lettuce, 10¢; 1 lb. steak, 25¢.

Paid Henry Dutton cash for vegetables, \$18.72. Mr. Pratt drew for personal use, \$25. Paid Smith & Co. cash for oysters, 60¢. Paid B., C. & Co.'s bill of Dec. 18, less discount. Paid R. C. Solomon's bill of Jan. 2. Overdue, no discount. Cash on hand at close of business, \$2050.10.

Thursday, Jan. 16, 1890. Order Book No. 2 contains the following orders: Henry Alexander, 3½ lbs. corned beef @ 12¢; 1 doz. eggs, 25¢. J. A. Drown, 5 lbs. sugar @ 7½¢; 1 can cocoa, 35¢. G. W. Smith, 1½ lbs. lamb chop @ 25¢.

Order Book No. 4 contains the following orders: Martin Fletcher, 1 pk. salt, 15¢; 1 lb. coffee, 33¢; 1 yeast cake, 2¢. Nathaniel Corning, ¾ lb. ham, 15¢; 2½ lbs. lamb chop @ 25¢. Moses White, 1 pk. potatoes, 25¢; 1 doz. oranges, 35¢. John C. Chase, 1 pkg. starch, 10¢; piece meat for stew, 10¢; 1 can corn, 15¢. D. A. Murdock, 1½ lbs. butter @ 33¢; 1 lb. cheese, 16¢.

Order Book No. 6 contains the following orders: James Wilson, 3 lemons, 5¢; 1 pt. milk, 4¢; ½ bu. potatoes, 45¢. W. H. Dunn, 1 doz. eggs, 35¢. Peter G. Wilder, 1¼ lbs. salt pork @ 10¢; ¼ lb. cream of tartar, 15¢.

Order Book No. 8 contains the following order: Charles P. Greateon, 37 Mulberry St., cash, 1 lb. macaroni, 15¢; 10 lbs. sugar @ 7½¢.

Cash on hand at close of business, \$2081.96.

Friday, Jan. 17, 1890. Order Book No. 1 contains the following orders: G. W. Smith, 1 pk. potatoes, 25¢; 1 can corn, 15¢. Charles Sylvester, 6 lbs. squash @ 4¢; 1 lb. butter, 33¢.

Order Book No. 3 contains the following orders: Nathaniel Corning, 3 gals. oil @ 13¢; 1 loaf bread, 5¢. Moses White, 1 doz. oranges, 25¢; 1 pkg. rolled oats, 12¢.

Order Book No. 5 contains the following orders: James Wilson, 3 lbs. butter @ 35¢; 1 doz. eggs, 40¢. W. P. Rogers, 2 lbs. steak @ 25¢; 1 yeast cake, 2¢. L. W. Day, 1 pt. oysters, 30¢; 1 lb. crackers, 12¢. W. H. Dunn, 1 pk. potatoes, 25¢; 1 lb. salt pork, 10¢; 1 yeast cake, 2¢.

Order Book No. 7 contains the following order: A. C. Cooper, 19 Maple St., cash, 1 bu. potatoes, 85¢.

Paid P. C. Brown cash for loaf of bread, 5¢. Paid Smith & Co. for 1 pt. oysters, 30¢. Cash on hand at close of business, \$2129.41.

Saturday, Jan. 18, 1890. Order Book No. 2 contains the following orders: S. C. Tower, 1 can salmon, 20¢; 2 lbs. butter @ 33¢. Henry Alexander, 1 qt. milk, 8¢; 6 eggs, 13¢; 1 bag flour, \$1.00; J. A. Drown, 3½ lbs. squash @ 4¢; ¾ lb. cheese, 10¢. G. W. Smith, 1 lb. coffee, 33¢; ½ bu. potatoes, 45¢.

Order Book No. 4 contains the following orders: Henry George, 19 Webster St., cash, 1½ lbs. mutton chop @ 25¢. Martin Fletcher, 1½ lbs. pork steak @ 12¢. John C. Chase, 2 cakes soap @ 7¢; dog meat, 5¢.

Order Book No. 6 contains the following orders: James Wilson, 7 lbs. corned beef @ 10¢; 1 can corn, 15¢; 1½ lbs. steak @ 25¢. Wm. P. Rogers, 3 lemons, 5¢; 1 yeast cake, 2¢; 1 doz. oranges, 35¢.

Order Book No. 8 contains the following orders: L. W. Day, 1 bbl. flour, \$7.50. Henry Anderson, 18 Adams St., cash, 1 bbl. flour, \$6.75.

Paid weekly salary to book-keeper and salesmen. Cash on hand at close of business, \$2150.62. Mdse. on hand, \$5600.60. Three weeks' rent and taxes unpaid, \$58.59. (Charge this as Balance to Expense in Red Ink: It is an inventory of Indebtedness.)

Close and balance all accounts.

ORDER BOOK No. 6.

Munson, Jan. 14, 1890.

ORDER BOOK No. 8.

Munson, Jan. 14, 1890.

James Wilson				W. H. Dunn			
6 C. Beef .72				24 Oranges .50		50	
Gal. Oil .13		85					
W. P. Rogers				Paid	H. E. Stone		
$\frac{1}{4}$ Pepper .10					37 Webster St.		
Qt. Vinegar .04		14			Bbl. Flour 7.50		
					— Jan. 16 —		
L. W. Day				Paid	Chas. P. Greateon		
Soup Beef .10					37 Mulberry St.		
1 Coffee .35		45			1 Macaroni .15		
— Jan. 16 —					10 Sugar .75		
James Wilson					.90		
3 Lemons .05					— Jan. 18 —		
Pt. Milk .04					L. W. Day		
$\frac{1}{2}$ Potatoes .45		54			Bbl. Flour 7.50	7	50
W. H. Dunn				Paid	Henry Anderson		
12 Eggs .35		35			18 Adams St.		
P. G. Wilder					Bbl. Flour 6.75		
$1\frac{1}{4}$ S. Pork .13				128	Mdse. Cr.	8	00
$\frac{1}{4}$ C. Tartar .15		28					
— Jan. 18 —							
James Wilson							
7 C. Beef .70							
Can Corn .15							
$1\frac{1}{2}$ Steak .38	1	23					
W. P. Rogers							
3 Lemons .05							
Yst. Cake .02							
12 Oranges .35		42					
Mdse. Cr.	4	26					

CASH.				Dr.					
				Mdse.		Accts. Rec.		Sundries.	
1890									
Jan. 13	✓	Balance						2165	31
" "	✓	Mdse.	Sales	44	69				
" 14		M. Fletcher				30			
" "	✓	Mdse.	Sales	26	88				
" 15	✓	"	Dis. B. C. & Co.	3	81				
" "	✓	"	Sales	65	87				
" 16	✓	"	"	31	86				
" 17	✓	"	"	47	80				
" 18	✓	"	"	76	21				
	128	Mdse.		297	12			297	12
	128	Accounts Receivable				30		30	
			Cash Dr.					327	12
								2492	43
Jan. 20		Balance						2150	62

INVOICE REGISTER.

L. F.	No.	Payee.	Terms.	Date.	Amount.	
	1	Bicknell, Cobb & Co.	5/30	Dec. 18	76	18
	2	R. C. Solomon	10/30	" 29	81	56
	3	R. C. Solomon	1/10	Jan. 2	140	46
	4	Hall & Hubbard	5/30	" 6	51	46
	5	Hall & Hubbard	5/30	Jan. 13	39	62
128		Mdse. Dr.			39	62

TRIAL BALANCE.				Dr.		Cr.		Dr.		Cr.	
				Amounts.				Balances.			
Jan. 18		C. J. Sawyer				4198	83			4198	83
" "		P. C. Pratt	25			2616	04			2591	04
" "		H. O. Lyman				2616	54			2616	54
" "		Cash	2492	43		341	81	2150	62		
" "		Fixtures	1500					1500			
" "	128	Mdse.	6034	97		343	09	5691	88		
" "	128	Expense	55			39	06	15	94		
" "		Hall & Hubbard				91	08			91	08
" "		R. C. Solomon	140	46		222	02			81	56
" "	128	Accounts Receivable	250	61		30		220	61		
			10498	47		10498	47	9579	05	9579	05

CASH.				Cr.		Mdse.		Expense.		Sundries.	
1890											
Jan. 14	✓	Mdse.	Potatoes	25	50						
" 15	✓	"	Vegetables	18	72						
" "		P. C. Pratt								25	
" "	✓	Mdse.	Oysters		60						
" "		Bicknell, Cobb & Co. on $\frac{a}{c}$								76	18
" "		R. C. Solomon	" "							140	46
" 17	✓	Mdse.	Bread ⁵ Oysters ³⁰		35						
" 18	✓	Expense	Book-keeper					10			
" "	✓	"	Salesmen					45			
128			Mdse.	45	17					45	17
128			Expense					55		55	
			Cash Cr.							341	81
		Balance								2150	62
										2492	43

INVOICE REGISTER.

J.	F.	M.	A.	M.	J.	J.	A.	S.	O.	N.	D.	Discount.	Cash.	Paid.
17												3 81	72 37	Jan. 15
28														
12													140 46	Jan. 15
5														
12														

BALANCE.

1890					1890				
Jan. 18	Cash			2150 62	Jan. 18	C. J. Sawyer			4143 56
" "	Fixtures			1500	" "	P. C. Pratt			2535 77
" "	Mdse.	128		5600 60	" "	H. O. Lyman			2561 27
" "	Accounts Receivable	128		220 61	" "	Expense	128		58 59
					" "	Hall & Hubbard			91 08
					" "	R. C. Solomon			81 56
				9471 83					9471 83

MERCHANDISE.

1890						1890					
Jan. 13	Sundries	J.	122	5950	18	Jan. 18	Cash	C. B.	126	297	12
" 18	Sundries	I. B.	126	39	62	" "	Sundries	O. B.	No. 1	3	91
" "	Cash	C. B.	127	45	17	" "	"	"	2	6	40
				6034	97	" "	"	"	3	12	
						" "	"	"	4	4	72
						" "	"	"	5	6	23
						" "	"	"	6	4	26
						" "	"	"	7		45
						" "	"	"	8	8	
						" "				343	09
						" "	Balance (Inv.)			5600	60
						" "	Loss and Gain			91	28
				6034	97					6034	97
Jan. 20	Balance			5600	60						

EXPENSE.

1890						1890					
Jan. 18	Cash	C. B.	127	55		Jan. 18	Sundries	J.	122	39	06
	Balance (Inv.)			58	59		Loss and Gain	L.	129	74	53
				113	59					113	59
							Balance			58	59

ACCOUNTS RECEIVABLE.

1890						1890					
Jan. 13	Sundries	J.	122	204	64	Jan. 18	Cash	C. B.	126	30	
" 18	"	O. B.	No. 1	3	91	" "	Balance			220	61
" "	"	"	" 2	6	40						
" "	"	"	" 3	12							
" "	"	"	" 4	4	72						
" "	"	"	" 5	6	23						
" "	"	"	" 6	4	26						
" "	"	"	" 7		45						
" "	"	"	" 8	8							
				250	61					250	61
Jan. 20	Balance			220	61						

LOSS AND GAIN.

1890					1890					
Jan. 18	Mdse.	L.	128	91	28	Jan. 18	C. J. Sawyer		55	27
	Expense	L.	128	74	53	" "	P. C. Pratt		55	27
						" "	H. O. Lyman		55	27
				165	81				165	81

QUESTIONS.

What business is represented in this chapter? To whom does the business belong? What change is to be made in the method of keeping books? How many steps are necessary? What is the first? the second? What new accounts must be opened? In what book? By what name shall we call this book hereafter? Why put the proprietor's account in the General Ledger? What does the Accounts Receivable account represent and include? What items are put in the Journal? Could the Journal be omitted? Why take a trial balance of the Ledger after posting the Journal? What other items will be recorded in the Journal? How is the Cash Book ruled? What is put in the first column? the second? the third? How many sets of money columns on the debit side? What is put in the first money columns? second? third? How many sets of money columns on the credit side? What is placed in the first? second? third? To what account is the footing of the merchandise column carried? The Accounts Receivable? How often is the merchandise posted from the Cash Book? Accounts Receivable? What are recorded in the Merchandise columns? In the Accounts Receivable columns? In the Expense columns? Sundries columns? From which columns do you post? For what purpose is the check mark used in the page columns? How often should the Cash Book be proved? What is said of the Invoice Register? What distinction should be made in the Order Books? Why? How is this distinction best made? When are the Order Books footed? What is done with the amounts? What column is footed in the Invoice Register? How often is it posted, and to what account? To what should the balance of the Accounts Receivable account be equal? What entry is made to exhibit the rent and taxes remaining unpaid at the end of the week? Why?

CHAPTER XI.

FORM VIII.

THE SPECIAL COLUMN JOURNAL.

It is sometimes a saving of labor to combine in the Journal for a certain period, as a week or a month, the amounts which are to be posted to the most important accounts. This is effected by opening special columns for these amounts in what is called a Special Column Journal. At the end of the week or month the special columns are footed and their sums are posted to their several accounts. Any number of special columns may be opened, according to the nature of the business, three or four being the usual number.

A study of the following page will give the pupil a knowledge of this form of Journal and the method of using it.

He should prepare a Journal and a Ledger for both weeks and take a Trial Balance.

EXERCISE 20.

New York, Aug. 1, 1891. Henry P. Conley begins the flour and grain business with the following resources: Cash, \$2000; Store Fixtures, Public Scales, and Team, \$1000; Flour per inventory, \$10,000; Grain per inventory, \$3600.

- Aug. 3. Bought of W. Wright & Co. for cash, 300 bbls. AA Flour @ \$5.
- Aug. 4. Paid rent for August in cash, \$50.
- Aug. 5. Served as expert in making an inventory of a bankrupt stock of goods, and received for services, \$25.
- Aug. 6. Sold Hall Johnson on account, 10 bbls. BB Flour @ \$4.75.
- Aug. 7. Sold Quentin Ross on his note at three months, 100 bbls. AA Flour @ \$5.25.
- Aug. 8. Paid salaries of clerks and proprietor, \$140.
- Aug. 10. Paid for insurance on stock for year; \$10,000 at 75¢ per hundred dollars.
- Aug. 11. Sold Hiram Corbett on account, 175 bbls. Forest City Flour @ \$3.90.
- Aug. 12. Bought of James Gorham on note @ 3 mos., 500 bags Meal @ 95¢.
- Aug. 13. Paid for advertising, \$15; for stamps, \$3; for bill heads, \$11.50.
- Aug. 14. Received for weighing, \$15.
- Aug. 15. Paid salaries of clerks and proprietor, \$140.

QUESTIONS.

What is the use of the Special Column Journal? How many special columns may be opened? To what kinds of business do you think this form adapted?

SPECIAL COLUMN JOURNAL.

New York, August 1, 1891.

Expense.	Mdse.	Cash.	Sundries.	L.F.		L.F.	Henry P. Conley (Invested) (Flour and Grain) 3 Mdse. 300 bbls. AA Flour of W. Wright & Co. @ \$5 4 Expense (Rent) Cash 5 Cash Services (as expert) 6 Hall Johnson Mdse. 10 bbls. BB Flour @ \$4.75 7 Bills Receivable Mdse. Quentin Ross 100 bbls. AA Flour @ \$5.25 on Note at 3 mos. 8 Expense (Salaries) Cash Sundries Cash Mdse. Services Expense	Sundries.	Cash.	Mdse.	Services.	
	13600	2000	1000	✓		✓		16600				
	1500			✓		✓		1500				
50				✓		✓		50				
		25		✓		✓						25
			47 50			✓					47 50	
			525			✓					525	
				✓		✓						
140				✓		✓		140				
190	15100	2025	1572 50					16600			572 50	25
			2025					1690				
			15100					572 50				
			190					25				
			1887 50					1887 50				

TRIAL BALANCE		Dr.	Cr.
1891	L. F.		
Aug. 15	Henry P. Conley		16600
	Cash	2040	1934 50
	Merchandise	15575	1255
	Expense	434 50	
	Services		40
	Hall Johnson	47 50	
	Bills Receivable	525	
	Hiram Corbett	682 50	
	Bills Payable		475
	Fixtures	1000	
		20304 50	20304 50

CHAPTER XII.

FORM IX.

FURNITURE BUSINESS.

This set illustrates a form of Book-keeping adapted to the furniture business or any similar business combining wholesale and retail transactions.

HOW GOODS ARE BOUGHT.

Goods are bought of manufacturers or jobbers. At the time of ordering the buyer makes a careful memorandum of the kind and amount of goods ordered, with price, terms, time of delivery, and any other items which he wishes to preserve.

When the goods arrive, they are received by the Receiving Clerk, who strips and examines them, and enters them in his Receiving Book. If the goods are not in perfect condition, he records in the Receiving Book the condition in which the goods came to him.

The Receiving Book is an important book, and is carefully preserved and often referred to. Being a *book of original entry*, it may be brought into court as evidence of the receipt or non-receipt of goods.

The invoices of all goods bought are compared with the records in the Receiving Book. If the goods and invoice do not agree with the memorandum of purchase, terms or prices will be corrected on the invoice in pencil, and information sent to the shipper. Imperfections or substitutions will also be settled by correspondence with the manufacturer.

Shipping receipts, or *Bills of Lading*, are generally sent with the invoice. These certify that a certain number of "pieces" have been received by the Transportation Company. The local notice from the freight agent should give the same number of pieces as the shipping receipt sent by the manufacturer. The shipping receipt and the receipted bill of the Company for transportation charges should be carefully filed as soon as they are verified.

For convenience in filing invoices, the book-keeper places them in an *invoice file*, which resembles a large wallet, and contains pockets, or pouches, alphabetically arranged. The invoices remain in this file till the end of the month, when they are transferred to the Invoice Book.

The *Invoice Book* is an immense scrap-book, containing only covers and stubs. The stubs are ruled with two or three sets of money columns, and a column for entering a Ledger page. At the close of the month the book-keeper inserts the invoices by sticking them to the stubs in the following manner:—

He takes from the invoice file all the invoices which he has received from any one party during the month, sees that they are arranged in the order of their dates, evenly and smoothly. He then turns them with the back toward him, and by bending them over his fingers several times moves them so that the edge of each invoice projects about a quarter of an inch beyond the one above it. He then lays them upon his desk and puts mucilage upon the exposed edges. By this method all of the invoices are gummed ready for inserting. He then takes the top one and sticks it at the top of the last stub in his book with the face up. He then takes the next and puts it over and below the first in such a way as to cover the first except its heading. In this way he puts them all into the Invoice Book before the mucilage has time to dry. The appearance of one page of his Invoice Book is shown on page 145.

When the invoices for the month have been inserted, the book-keeper enters in the money columns the several amounts, opposite the names of the sellers,—short extending in the column nearest to the invoices, and full extending in the other.

When the foot of a page has been reached, the left-hand money column is added, and its amount is placed at the bottom and transferred to the top of the same column on the preceding stub.

In this way the amount of Merchandise bought for the month is found, and is posted directly from the Invoice Book to the debit side of the Merchandise Account at the close of the month. The page of the Ledger to which it is posted is put in the "Ledger Folio" column of the Invoice Book to indicate that the posting has been done.

Since Merchandise is debited, the proper persons should be credited. This is also done directly from the Invoice Book. Each party is credited with the several amounts which have been purchased from him during the month, and the posting is noted by the proper page mark in the margin of the Invoice Book.

This completes the record of the purchases. Let us see what further records become necessary when the goods are paid for.

Early in the following month the firm will receive statements of goods bought during the month. These statements will have a form somewhat as follows:—

MONTHLY STATEMENT.

Boston, Mass., Oct. 1, 1891.

Bragg, Ripley & Co.

IN ACCOUNT WITH *William G. Harris & Co.*

Sept.	1	Mdse. as per bill rendered	18	42		
"	12	" " " "	17	31		
"	15	" " " "	19	26		
"	23	" " " "	140	26		
					195	25

When the statements are received, they are compared with the invoices, and if found correct, ought to be promptly paid. When a statement contains items due on several days, the average time may be found and payments made accordingly. Sometimes all bills due in any month are paid on some stated day of the month following.

To pay the bill, a check for the amount due is sent, with the statement, to the seller, and the proper entry is made in the Cash Book or Journal. The seller returns the statement receipted, and it should be properly filed.

The records described are for goods bought on account, and paid for when due. If goods are bought for "net cash," similar records should be made, and the cash should be paid or sent without the Monthly Statement.

If the book-keeper wishes, bills for expense may be filed in a separate part of the Invoice Book, or a separate Expense column may be kept, and its footing carried to the debit side of Expense Account.

Remark.—It is possible to begin filing with the first stub and so fill up the book from the beginning. In this case, of course, the amount would be transferred to the *following* stub. It is much easier, however, to begin at the close of the book, and work backward as directed in the text.

HOW GOODS ARE SOLD.

When goods are sold for cash, and delivered immediately to the purchaser, no other record is needed beside the record of the cash received. The salesman passes the money to the cashier or book-keeper, usually with a memorandum of the sale. The memorandum is kept till the close of the day, to aid in verifying the cash on hand. These sales and small expenses are recorded in a Petty Cash Book.

When goods are sold for cash, and are to be delivered, or sent by messenger, express, or freight, the salesman makes a memorandum of the goods sold, with their prices, in an Order Book; the book-keeper makes out a bill for the goods and receipts it, and it is given to the purchaser. The salesman's memorandum is given to the Shipper, who sees that the goods are packed and sent; and the record of the sale is transferred from the Order Book to the Sales Book.

When goods are sold on account, and delivered to the customer, an unreceipted bill is given or sent to him, and the proper record is made in the Sales Book.

When goods are sold on account, and are to be sent by messenger, freight, or express, a record is made in the Order Book, and the Shipper sees that the goods are sent, as in cash sales of the same kind. At stated times the Order Book is passed to the book-keeper, who copies its records into the Sales Book, and makes and sends the invoices. Check marks are made in the Order Book to indicate that the items have been transferred to the Sales Book.

At the close of the month the Cash column in the Sales Book is footed, and its total is carried to the Merchandise column in the Cash Book. The total credit sales recorded in the Sales Book for the month are ascertained and entered on the credit side of Merchandise Account. The transactions recorded in the Petty Cash Book are massed and transferred to the Cash Book. [The personal items in the Cash Book and Sales Book are posted daily.] A Trial Balance is taken, and Monthly Statements are sent to customers; the accounts are carefully examined to see if any are overdue, and proper steps are taken to secure collections.

The forms of Invoice Book, Cash Book, Sales Book, Petty Cash Book, etc., appear on the following pages.

Bills Payable Account, *Bills Receivable Account*, and *The Bill Book* are used in this set. The pupil should keep a careful record in his Bill Book of all his notes and acceptances. Notes and drafts should be written in full by the pupil and given with bills and invoices, to the teacher for examination. The notes, drafts, bills, and receipts of any month may form a special assignment for some day's lesson. The Bill Book is used as a Principal Book like the Invoice Register in Form VII.

When notes are discounted, the method of reckoning the time of discount differs at different banks. It is believed that all include the three days of grace, but the number of days in a month and the number of days in a year are differently estimated. So, also, some cashiers include both the date of the note and the date of the payment in the term of payment, and others include only one of these dates.

For the sake of uniformity, the pupil, in estimating interest and discount in this treatise, will count the word "months" as calendar months, will count "days" by the actual number of days in the given time and year, will include the day of maturity, but not the day of payment or discount, in the time, and will estimate interest at 6%, for a year of twelve months, of thirty days each.

For example, a note dated Feb. 1, 1892, and payable in one month, is due March 4; payable in 30 days is due March 5. A note dated Feb. 1, 1891, payable in 30 days is due March 6; but payable in one month is due March 4. Interest for the first and fourth would be computed for one and one-tenth months; for the second, for one and four-thirtieths; for the third, for one and one-sixth.

Bankers compute interest by means of interest tables, and the four notes mentioned in the preceding paragraph, if sent to different bankers, might be discounted for several different terms and with several different results. It is an excellent plan for the pupils to write various notes and ask their friends who are employed in banks to discount them.

When an account is paid before it is due, it is just that an allowance should be made. In such cases no days of grace are allowed, but interest is deducted for the time of advance payment, and the creditor accepts the amount tendered in full payment of his bill. The usual discounts are charged to Merchandise, but unusual discounts, in which interest is computed, are best charged to Interest or Discount.

In this set no Journal is required, such transactions as would seem to require its use being recorded in the Cash Book. (Notice the allowance to H. C. Hawley, Jan. 20.) When the Cash Book is thus used, it saves the use of one book. It is clear that the cash balance is not interfered with, for the same amount is entered on each side. If there were many such entries, it would be better to use a Journal. The practice of book-keepers varies on this point as on many others.

The *Petty Cash Book* is introduced in the first two months to show its form and to give the pupil practice in keeping it. It may be omitted during the last month, if the teacher so directs. *For the sake of variety, it would be well to use a Journal and Petty Cash Book during the first month, a Petty Cash Book during the second month, and neither of them during the third month.*

Some proprietors wish their Sales Books to include the names of all articles sold, with their prices, and the names of all parties to whom they are sold; and their Cash Book to include the names of all parties to whom cash is paid and from whom cash is received, the items of expense for which money has been paid, and the exact sources of all money received. Additional work is thus put upon the book-keepers, but such a complete record is often useful and always convenient.

Furniture dealers often keep what is called a *Model Book*, in which they enter a full description of every article which they buy and offer for sale. The descriptions are numbered consecutively, and articles are accordingly known in the store and recorded upon the Sales Books by their Model Book number. The various manufacturers also number their goods in their catalogues for convenience in filling orders.

The **Balance Sheet** exhibits the present condition of the business, the losses and gains for some particular period, and each proprietor's present interest in the business. The principal object in making the Balance Sheet is to ascertain the losses or gains. In previous forms, the losses and gains have been found only in connection with closing the Ledger. This method gave the pupil much practice in opening and closing his Ledger accounts, and kept before him the great principle of equality in debit and credit entries.

The balance sheet is made from the trial balance. Its form is exhibited on page 150. When a Balance Sheet is made, only representative accounts and the proprietor's accounts need to be closed, while real accounts may be left open. In many counting-rooms, personal accounts are never closed except when paid in full or when closed into Loss and Gain.

Sometimes worthless accounts are gradually "scaled down" till they are extinguished, a certain portion of their face value being carried to Loss and Gain every year. The practice is not to be commended. An account that becomes worthless or depreciated should be at once cancelled, or scaled down to its actual value.

The *Stock Book* is a book kept by some business men to show the amount of merchandise on hand without the labor of "taking stock." In it are recorded all purchases and their cost, and all sales. They are so arranged that the amount and cost of articles remaining unsold can at any time be determined. It has not been deemed wise to introduce the Stock Book into this set, but a form adapted to the use of the furniture business is shown on page 154.

A *profit column* is introduced by some book-keepers into the Day Book or Sales Book. In it is put the profit on every sale. The profit is determined in the following manner: The net cost of every article is determined, and this cost is marked upon the articles together with the price. When goods are sold, the salesman, or some clerk appointed to the work, enters in the profit column the profit on every sale. At the close of the day, or week, or month, the profit column is footed, and its amount compared with the expenses for the same period.

REMARKS ON EXERCISE 21.

In this set, when no term of credit is mentioned in the memoranda of sales, thirty days is understood.

The check marks in the Sales Book and Cash Book are placed in the page column to prevent errors in posting. They should be placed in the Sales Book, opposite the items of the Cash column; and in the Cash Book, opposite the items of the Merchandise and Expense columns.

The residences of all persons should be recorded with the titles of their accounts in the Ledger. They should also be recorded in the Order Book.

When no discount is recorded in the Sales Book, none is to be allowed.

In taking his Trial Balance for March, the pupil may take it *by differences*. To facilitate this, he may go over his Ledger accounts, and check with his pencil the items which are balanced by similar entries on the opposite side. When he has done this, he may often calculate mentally the difference between the two sides of an account.

EXERCISE 21.

The following memoranda show a portion of the business of Bragg, Ripley & Co. for the year 1891. In order to show the method of opening and closing all the books, and to exhibit the various forms in full, the transactions of four days are taken as the work of a month, and the Ledger is balanced at the end of the third month.

Jan. 1, 1891.

James Bragg, Peter C. Ripley, and Henry C. Pratt engage in the furniture business in the city of Boston. Bragg & Ripley invest a stock of merchandise valued at \$38,750; Cash, \$1750; Accounts Receivable as follows: Percival & Smith, Norfolk, Me., \$391.42; Harden & Harden, Pittsfield, Vt., \$191.36; Henry A. Ives, Brandon, N.H., \$26.39; Paul C. Porter, Glendale, Ct., \$103; John Halifax, London, Mass., \$119.30; Prince Noble, 37 Acorn St., \$46.27; Harmon C. Hall, 25 Oliver St., \$76; Mrs. Hope C. Hawley, 31 Carver St., \$64.25. The last seven accounts are for single invoices, and are due Feb. 1. The first account represents two invoices, one of \$150, due Jan. 10, and one of \$241.42, due Jan. 20. The firm is to pay the following debts: Note of Bragg & Ripley, favor of Horne & Smith, payable at the First National Bank, Feb. 1, for \$3500; Note of Bragg & Ripley, favor of Henry C. Austin, payable Feb. 16, at the Suffolk Bank, for \$3000; and Accounts Payable as follows: Porter & Fall, Providence, R.I., \$1500, due Feb. 20; Osgood, Brailey & Co., Winchendon, Mass., \$341.42, due Feb. 1. Pratt invests \$20,000 in cash. They are to draw \$2500 a year each for their services, and share losses and gains equally.

They make cash sales during the day:—

To parties who take their purchases with them, \$315.42.

To parties whose goods are to be delivered:—

James Argyle, 37 Spring St., 1 No. 761 Antique Oak Chamber Set, 3 pieces, polished, 24 × 30 G. B. Mirror, \$30.

Henry C. Holmes, 27 Laurel St., Cambridge, 1 No. 25 A. O. Finish Chamber Set, 3 pieces, 18 × 24 G. B. Mirror, \$19.50.

They sell on %:—

Percival & Smith, Norfolk, Me., net 30, 2/10, 1 No. 5 Couch, plain plush, \$42; 1 No. 3 Bed Lounge, Sultan plush, \$63; 6 No. 2 Cabinet Beds, desk combination, with mattress, @ \$52.

They buy of Osgood, Brailey & Co., 2/10, 3 doz. No. 2895 5-spindle Kitchen Chairs @ \$5. They pay for postage stamps, \$5, and discount both notes payable. They pay Porter & Fall, deducting interest for 1½ months at 6%, without grace.

Jan. 10.

They make cash sales during the day : —

To parties who take their purchases with them, \$190.

To parties whose goods are to be delivered : —

Henry Adams, 18 Somerset St., 1 No. 133 3-pc. Parlor Suite, Divan, Easy, and Reception Chairs, Stuffed over, $\frac{1}{2}$ Turkish, silk tapestry, moss and hair top, \$85.

Solomon C. Tebbetts, 191 Bunker Hill St., Charlestown, 1 No. 2132 Hair Cloth Suite, 7 pieces, B. W. Frame, bright finish, \$38.

Henry P. Brown, Brockton, 1 No. 1762 B. W. 3-pc. Chamber Set, French Buhl Panels, 28 x 30 F. B. Mirror, \$50.

Bought of Porter & Fall, 2/10, 24 No. 175 A. O. Library Tables, 24" x 48", @ \$35.

Paid Osgood, Brailey & Co.'s bill of Jan. 1, less discount. Received cash from Percival & Smith, \$150; from Henry A. Ives, \$26.39. Pay insurance on stock, \$30,000, 1 yr. @ 90¢ per \$100.

Jan. 20.

Cash sales per memorandum, \$275.

Cash sales per Sales Book : —

Hall C. Thompson, 22 Park Ave., 1 No. 13 A. O. Eseritoire, polished, 3 F. B. Plate Mirrors, 8" x 10", \$26.

Sylvanus C. Stanley, 20 Great Court, 1 No. 713 O. E. Parlor Table, 20" x 36", \$20.

Sales on % : —

Hope C. Hawley, 31 Carver St., 6 A. O. Dining Chairs, box seat, @ \$3.00.

Harmon C. Hall, 25 Oliver St., 1 No. 67 A. O. Parlor Desk, polished, \$22.50.

John Halifax, London, Mass., 1 No. 871 $\frac{1}{2}$ Parlor Suite, Sofa, Easy, Parlor, plain mohair plush, all hair, \$135.

Received from Percival & Smith, cash on %, \$241.42. Pay Porter & Fall's bill of Jan. 10, less discount. Received from Harden & Harden, cash in full of %. Prince Noble pays \$25 on %. Allowed Hope C. Hawley \$2 on her last bill, for damage on one chair due to careless packing.

Jan. 30.

Paid rent for month, \$300; salaries of clerks and employees, \$200. Each proprietor drew \$200. Inventory of Mdse. on hand, \$38,000. Unexpired insurance, \$247.50. Liabilities not shown on books: One-twelfth of annual tax bill, \$30; gas bill, \$35; advertising contracted for per memorandum, \$25.

Feb. 1.

Cash sales per memorandum, \$396.42.

Cash sales per Sales Book : —

James P. Magoun, 36 Essex St., 1 No. 39 Oak Sideboard with Mirror, \$85.90.

Henry C. Boardman, 1 B. W. Chamber Set, No. 19, 9 pieces, \$100.

Paul C. Twombly, 38 Liverpool St., 1 Cherry Dining Room Set, No. 412, \$192.75.

Bought for cash of H. R. Gray, City, B. W. Chamber Set, \$91. (Mark this invoice "Cash" to insure its being carried to the C. B. Check with "C. B." in I. B.)

Sales on % : —

Paul C. Porter, Glendale, Ct., 6 No. 391 Sofas, covered with plain silk plush, @ \$30. Net, 30 d's, 2/10.

John Halifax, London, Mass., 3 No. 10 Oak Upright Beds, F. P. Mirror, and Mattress, @ \$95. 5/30.

Paul C. Porter paid bill of Dec. 30, \$103. John Halifax paid bill of Dec. 25, \$119.30. Prince Noble paid cash in full of %, \$21.27.

Percival & Smith pay their bill of \$417. Sent statements to H. C. Hall and Hope C. Hawley marked "Please remit."

Feb. 10.

Cash sales per memorandum, \$201.18.

Cash sales per Sales Book : —

Henry C. Borden, 18 Summer St., 1 # 32 Carpet Spring Bed Lounge, \$15; 1 # 36 Corner Chair in gold plush, \$23.

Sales on % : —

Harden and Harden, 3 # 24 H. C. Parlor Suites, hard edge, @ \$28; 5 # 9 Student Rockers, sultan plush, trimmed, @ \$17.50. Terms, 2/30.

Paid cash for sundry expenses per P. C. Book, \$31.

Bought of W. G. Harris & Co., @ 2/10, 1 # 37 Oak Sideboard, with Mirror, \$65.20.

Bought of W. G. Harris & Co., @ 5/30, 5 # 186 B. W. Chamber Sets, 9 pcs., @ \$100; 1 # 401 Cherry Chamber Set, \$81.

Feb. 20.

Cash sales, per memorandum, \$382.41.

Cash sales, per Sales Book : —

James Magoun, 393 Park St., 1 # 31 Carpet Lounge, \$10.

Paul J. James, 146 Westminster Ave., 4 A. O. Dining Chairs @ \$3.25.

Henry J. Adams, 1 # 46 Argyle Rug Parlor Suite, \$85.

Sales on % : —

Henry A. Ives, @ 2/30, 5 # 15 H. C. Parlor Suites, sp. edge, @ \$40; 3 # 3 Rug Parlor Chairs @ \$6.

Percival & Smith @ 5/30, 6/10, 10 # 7 Red Sultan Plush Sofas, sp. edge, @ \$31.50.

John Halifax, 2/10, 5 # 10 Oak Sideboards @ \$39.50.

Hope C. Hawley paid bills of Dec. 20 and Jan. 20, and H. C. Hall his bill of Dec. 20.

Paid sundry expenses, per P. C. Book, \$37.40.

Sold Hampden & Brockden of East Gorham, Vt., on their note at three months, 5 # 761 A. O. Chamber Sets, 3 pcs., 24 x 30 G. B. Mirror, @ \$24; 10 # 96 A. O. Escritoire, polished, 3 F. B. Plate Mirrors, 8 x 10, @ \$20; 5 # 713 O. E. Parlor Tables @ \$15. This note discounted in First National Bank. Proceeds to our credit. [Put B. R. in L. F. column of S. B. to insure correct posting.]

Bought of Meriden Rattan Co., 10 # 414 Rockers, @ 2/30, at \$3.75 each.

Loaned Henry P. Addison on his note without interest, \$300.

Bought of W. G. Harris & Co., @ 2/30, 1 Parlor Suite, \$95.50.

Feb. 28.

Cash sales per memorandum, \$201.46.

Cash sales per Order Book : —

Henry Ogden, 198 Charles St., 1 # 201 White Mahogany Parlor Table, 20" x 24", \$23.

Charles C. Somers, 18 Essex St., 6 # 175 A. O. Library Chairs @ \$3.50 each.

Paid sundry expenses as per Petty Cash Book, \$13.92. Paid clerks, etc., per Pay Roll, \$200.

Pratt and Ripley each draw their monthly pay; but Bragg, being out of town on business, does not draw his. Henry P. Addison paid his note of Feb. 20.

Inventory : Mdse., \$35,832.70. Unexpired insurance, \$225. Unpaid bills : Bragg's salary, \$200; Advertising, \$150; Bragg's travelling expenses for last week, \$50; one-sixth of annual tax bill, \$60; gas bill, \$70; rent for February, \$300.

March 1.

Cash sales per memorandum, \$303.45.

Cash sales delivered by team : —

Henry C. Bigelow, 18 Essex St., 1 # 2132 A. O. Extension Table, 8 ft., \$15.

Prentice Q. Adams, 996 Stevens Ave., 1 # 133 Parlor Suite, silk tapestry, moss and hair top, \$75.

Sales on $\frac{1}{2}\%$:—

P. C. Porter, @ 2/30, 3 # 2132 Hair Cloth Suites @ \$33.

Harden & Harden, @ 5/30, 6/10, 1 doz. # 901 Fancy Floor Rocker, I. M. Frame, assorted colors. \$54.

Bought of W. G. Harris & Co., 2/30, 36 # 2895 5-spindle Kitchen Chairs @ \$5 per doz. Osgood, Brailey & Co., @ 2/10, 42 # 1711 Fancy Platform Rocker, I. M., plain, @ \$72 per doz.

Osgood, Brailey & Co. draw on us on demand for bill due Feb. 1, and we have paid the draft.

Percival & Smith pay bill of Feb. 20. (6% discount. Debit Mdse. in C. B.) John Halifax pays his bills of Jan. 10 (no discount), Feb. 1 (what discount?), and Feb. 20. P. C. Porter pays his bill of Feb. 1. (No discount. Why?)

Paid W. G. Harris & Co. bills of Feb. 10 (discount lost through carelessness) and Feb. 20 (discount saved).

March 10.

Cash sales delivered to purchasers, \$201.19.

Cash sales delivered by team:—

Henry C. Jones, 1896 Marlboro St., 1 # 133 3-pc. Parlor Suite, covered in brocatelle, \$100.

Charles M. Marston, 16 Charles St., 1 # 871½ Parlor Suite, plain mohair, all hair, \$125.

Sold on $\frac{1}{2}\%$:—

Prince Noble @ 2/10, 6 # 2132 Hair Cloth Suites, 7 pcs., B. W. Frame, bright finish, @ \$33.

Harden & Harden pay bill of Feb. 10.

We pay W. G. Harris & Co. bill of Feb. 10.

H. C. Hall has not yet paid his bill of Jan. 10. Our collector calls upon him and secures an order upon his employer, Henry Corbett, for the amount. The order is presented to Mr. Corbett, and he pays the money.

Paid for postage, \$7.00; freight, \$19.62.

Returned to Osgood, Brailey & Co., for imperfections, 6 chairs of last invoice, and sent them bill for the same with check for balance of bill. (Record in S. B. at price which we paid.)

Henry A. Ives writes that he has gone out of business, and sends note of his successors, Barker & Hollis, payable to his order in 30 days, for the amount of his account. We write that we cannot accept it at 30 days, but will accept a note at 10 days, and return the note. A new note at 10 days is received, and discounted for eleven days. (If a Journal were kept, this would, of course, be entered in it. How will you get proper debit and credit by entering in C. B.?) Harden & Harden pay bill of March 1.

March 20.

Cash sales per memorandum, \$271.11.

Cash sales in Sales Book:—

Hall P. Adams, 19 Essex St., 1 # 42 Oak Sideboard, with Mirror, \$85.90; 1 # 16 Upright Bed, with Mattress, \$86.

Nathaniel C. Upton, 1846 Everglade St., 4 Dining Chairs @ \$3.25.

Sales on account:—

P. C. Porter, @ 5/30, 5 # 1846 Argyle Rug Parlor Suite @ \$70.

Hampden & Brockden return with our consent 5 # 96 escritaires which they find unsalable in their market. They should have sent us an invoice with their letter of advice. As they have omitted to make one, we write one for them and file it the same as if they had sold the goods to us. (This gives a record and description of the goods. We could have credited H. & B. and debited Mdse. in the C. B. As they still owe us for their note, we do not send pay for the escritaires, and make the terms in the invoice 2 mos. net.)

Paid Bragg his salary for February and \$50 for expenses in travelling. Paid freight on returned goods, \$2.76, and charged it to Hampden & Brockden. Paid Meriden Rattan Co.'s bill of Feb. 20.

March 31.

Cash sales per cash slips, \$246.18.

Paid salaries in full; advertising, \$200; gas bill for three months, \$105.

Inventory of Mdse., \$35,301.96; Insurance, \$202.50.

Unpaid bills: one-fourth of annual tax bill, \$90; rent for February and March.

ORDER BOOK.

Jan. 1, 189-.

		<i>James Argyle</i>
		37 Spring St.
✓	1	# 761 Chamber Set

		<i>Henry C. Holmes</i>
		27 Laurel St., Cambridge
✓	1	# 25 Chamber Set.

		<i>Percival & Smith</i>
		Norfolk, Me.
✓	1	# 5 Couch
✓	1	# 3 Bed Lounge
✓	6	# 2 Cabinet Bed

Jan. 10

		<i>Henry Adams</i>
		18 Somerset St.
✓	1	# 133 Parlor Suite

RECEIVING BOOK.

Jan. 1, 189-.

		<i>Osgood, Brailey & Co.</i>
36		# 2895 Five Spindle Kitchen Chairs

Jan. 10

		<i>Porter & Fall</i>
24		# 175 Library Tables

Jan. 10

		<i>W. G. Harris & Co.</i>
1		# 37 Oak Sideboard
2		# 186 B. W. Chamber Sets

JOURNAL.

Boston, Jan. 1, 189-.

146	Mdse.	Invested by Bragg & Ripley	38750	
147	Cash	B. & R. \$1750; H. C. P. \$20000	21750	
147	Percival & Smith	Due B. & R.	391	42
147	Harden & Harden	" "	191	36
147	H. A. Ives	" "	26	39
148	P. C. Porter	" "	103	
147	John Halifax	" "	119	30
148	P. Noble	" "	46	27
148	H. C. Hall	" "	76	
148	Hope C. Hawley	" "	64	25
148		Bills Payable, B. & R.		6500
148		Porter & Fall		1500
148		Osgood, Brailey & Co.		341 42
146		James Bragg Inv.		16588 28
146		Peter C. Ripley		16588 29
146		Henry C. Pratt		20000

CASH BOOK.

CASH.

Dr.

Sundries.

Mdse.

Balances.

1891					
Jan. 1	✓	Balance			21750
" "	✓	Merchandise per P. C. Book		315 42	
" "	147	Discount, H. & S.'s Note	17 50		
" "	147	Discount, H. C.'s Note	22 50		
" "	147	Discount, P. & F.'s %	11 25		
" 10	✓	Merchandise per P. C. Book		190	
" "	✓	Merchandise disc. O. B. & C.		30	
" "	147	Percival & Smith, Bill Dec. —	150		
" "	147	Henry A. Ives, Bill Dec. —	26 39		
" 20	✓	Merchandise per P. C. Book		275	
" "	147	Percival & Smith, Bill Dec. —	241 42		
" "	✓	Merchandise, disc. P. & F.		16 80	
" "	147	Harden & Harden, on %	191 36		
" "	148	Prince Noble, on %	25		
" "	148	Hope C. Hawley, Abatement, bill, Jan. 20	2		
" 30	✓	Merchandise, Sales Book		268 50	
" "	✓	Sundries	687 42		
" "	146	Merchandise		1066 02	
" "	147	Cash, Dr.			1753 44
					23503 44
Feb. 1		Balance			13271 44

PETTY CASH BOOK.

		CASH.	Dr.	Cr.
Jan. 1.	1	# 761 A. O. Chamber Set	30	
	1	# 25 A. O. do.	17 42	
	1	# 1762 B. W. do.	51	
	1	# 15 H. C. Parlor Suite	42	
	1	# 175 A. O. Library Table	40	
	1	# 891 Oak Chamber Set	50	
	1	# 391 B. W. do.	85	
		Postage Stamps		5
	✓	Mdse.	315 42	
	✓	Expense		5
Jan. 10	10	# 32 Carpet Spring Bed Lounges @ \$15	150	
	1	# 24 H. C. Parlor Suite, hd. ed.	28	
	4	B. W. Dining Chairs @ \$3	12	
	✓	Mdse.	190	
Jan. 20	1	# 39 B. W. Chamber Set	100	
	1	# 10 Cherry D. R. Set	175	
	✓	Mdse.	275	

		CASH.	Sundries.	Mdse.	Cr.	Expense.
189-						
Jan. 1	✓	Expense, per P. C. Book				5
" "	148	Bills Payable, H. & S.'s Note	3500			
" "	148	Bills Payable, H. C.'s Note	3000			
" "	148	Porter & Fall, on %	1500			
" 10	148	Osgood, Brailey & Co., Bill, Jan. 1	15			
" "	✓	Expense, Insurance				270
" 20	148	Porter & Fall, Bill, Jan. 10	840			
" "	✓	Merchandise, Abatement, H. C. H.		2		
" 30	✓	Expense, Rent				300
" "	✓	Expense, Pay Roll				200
" "	✓	Expense, James Bragg				200
" "	✓	Expense, P. C. Ripley				200
" "	✓	Expense, H. C. Pratt				200
" "	146	Expense				1375
" "	146	Merchandise		2		
" "	✓	Sundries	8855			
" "	147	Cash, Cr.	10232			
		Balance	13271 44			
			23503 44			

SALES BOOK.

		Boston, Jan. 1, 18—.		Sundries.		Cash.
✓	James Argyle 1 # 761 Chamber Set					30
✓	Henry C. Holmes 1 # 25 A. O. Chamber Set					19 50
147	Percival & Smith 1 # 5 Couch, plain plush 1 # 3 Bed Lounge 6 # 2 Cabinet Beds @ \$52 Net 30, 2/10.	42 63 312		417		
Jan. 10						
✓	Henry Adams 1 # 3 Parlor Suite					85
✓	Solomon C. Tibbetts 1 # 2132 H. C. Suite					38
✓	Henry P. Brown 1 # 1762 B. W. Chamber Set					50
Jan. 20						
✓	Hall C. Thompson 1 # 13 A. O. Escritoire					26
✓	Sylvanus C. Stanley 1 # 713 O. E. Parlor Table					20
148	Hope C. Hawley 6 A. O. Dining Chairs, box-seat, @ \$3 30 d's			18		
148	Harmon C. Hall 1 # 67 A. O. Parlor Desk 30 d's			22 50		
147	John Halifax 1 # 871½ Parlor Suite 30 d's			135		
146	Mdse. Cr.			592 50		
✓	Cash to C. B.					268 50

INVOICE BOOK. — JANUARY AND FEBRUARY.

L. F.	Totals.		Items.	
148	840		840	
148	15		15	
148	855		Misc. Dr.	
C. B.	✓		91	
			65	20
			581	
	741	70	95	50
	37	50	37	50
	779	20	Mdse. Dr.	

Providence, R.I., Jan. 10, 189

Bragg, Ripley & Co.

Bought of PORTER & FALL.

Boston, Mass., Jan. 1, 189

Bragg, Ripley & Co.

Bought of OSGOOD, BRAILEY & CO.

Boston, Feb. 1, 189

Cash.

Bragg, Ripley & Co.

Bought of H. R. GRAY.

Boston, Feb. 10, 189

Bragg, Ripley & Co.

Bought of W. G. HARRIS & CO.

Boston, Feb. 10, 189

Bragg, Ripley & Co.

Bought of W. G. HARRIS & CO.

Boston, Feb. 20, 189

Bragg, Ripley & Co.

Bought of W. G. HARRIS & CO.

Meriden, Conn., Feb. 20, 189

Bragg, Ripley & Co.

Bought of MERIDEN RATTAN CO.

Terms Cash. 2/30.

10 # 414 Rockers @ \$ 3.75 37 50

LEDGER.

Dr.		JAMES BRAGG.		Cr.	
189-		189-			
Jan. 31	Loss and Gain	371 57	Jan. 1	Sundries	J. 142 16588 28
	Balance	16216 71			
		16588 28			16588 28
			Feb. 1	Balance	16216 71

PETER C. RIPLEY.

189-		189-			
Jan. 31	Loss and Gain	371 58	Jan. 1	Sundries	J. 142 16588 29
	Balance	16216 71			
		16588 29			16588 29
			Feb. 1	Balance	16216 71

HENRY C. PRATT.

189-		189-			
Jan. 31	Loss and Gain	371 58	Jan. 1	Sundries	J. 142 20000
	Balance	19628 42			
		20000			20000
			Feb. 1	Balance	19628 42

MERCHANDISE.

189-		189-			
Jan. 1	Sundries	J. 142 38750	Jan. 30	Cash	C. 142 1066 02
" 30	Cash	C. 143 2	" "	Sundries	J. 142 592 50
" "	Sundries	I. 145 855		Inventory	1658 52
	Loss and Gain	39607			38000
		51 52			
		39658 52			39658 52
Feb. 1	Inventory	38000			

EXPENSE.

189-		189-			
Jan. 30	Cash	C. 143 1375	Jan. 31	Inventory	247 50
		90		Loss and Gain	1217 50
		1465			1465
Feb. 1	Balance	157 50			

CASH.

189-				189-			
Jan. 1	Sundries	C. 142	21750	Jan. 30	Sundries	C. 143	10232
" 30	Sundries	C. 142	1753 44				
			23503 44				

DISCOUNT.

189-			189-		
	Loss and Gain	51 25	Jan. 1	Cash	C. 142 17 50
			" "	"	C. 142 11 25
			" "	"	C. 142 22 50
		51 25			51 25

PERCIVAL & SMITH, *Norfolk, Me.*

189-				189-			
Jan. 1	Sundries	J. 142	391 42	Jan. 10	Cash	C. 142	150
" "	Mdse. 30 d's	S. 144	417	" 20	"	C. 142	241 42
			808 42				391 42

HARDEN & HARDEN, *Pittsfield, Vt.*

189-			189-				
Jan. 1	Sundries	J. 142	191 36	Jan. 20	Cash	C. 142	191 36

H. A. IVES, *Brandon, N.H.*

189-				189-			
Jan. 1	Sundries	J. 142	26 39	Jan. 10	Cash	C. 142	26 39

JOHN HALIFAX, *London, Mass.*

189-				
Jan. 1	Sundries	J. 142	119 30	
" 20	Mdse.	S. 144	135	
			254 30	

P. C. PORTER, *Glendale, Conn.*

189-					
Jan. 1	Sundries	J.	142	103	

P. NOBLE, 37 *Acorn St.*

189- Jan. 1	Sundries	J.	142	46	27	189- Jan. 20	Cash	C.	142	25
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H. C. HALL, 25 *Oliver St.*

<i>189-</i>					
<i>Jan.</i>	<i>1</i>	<i>Sundries</i>	<i>J.</i>	<i>142</i>	<i>76</i>
"	20	Mdse.	S.	144	22 50
				98	50

MRS. HOPE C. HAWLEY, 31 *Carver St.*

189-					189-				
Jan. 1	Sundries	J.	142	64 25	Jan. 20	Cash	C.	142	2
" 20	Mdse.	S.	144	18					
				82 25					

BILLS PAYABLE.

189-					189-				
Jan. 1	Cash	C.	143	3500	Jan. 1	Sundries	J.	142	6500
" "	"	C.	143	3000					
				6500					6500

PORTER & FALL, *Providence, R.I.*

189-					189-				
Jan. 1	Cash	C.	143	1500	Jan. 1	Sundries	J.	142	1500
" 20	"	C.	143	840	" 10	Mdse. 10 d's	I.	145	840
				2340					2340

OSGOOD, BRAILEY & Co., *Winchendon, Mass.*

[illegible]

STOCK BOOK.

No. 18.

A. O. Dining Chair.

189-		\$ 10				\$ 9.60	\$ 9.70			
Jan. 1	B.	39,	⁵⁾ 24,	¹⁰⁾ 36,	²⁰⁾ 48,	²⁵⁾ 60		207		
	S.	¹⁾ 6,	³⁾ 10,	⁵⁾ 20,	⁵⁾ 24,	¹²⁾ 13,	¹⁵⁾ 25,	¹⁹⁾ 5	103	104
Feb. 1	B.	\$ 9.70								
		104,								
No. 19										
<i>B. W. Dining Chair.</i>										
189-		\$ 24		\$ 26		\$ 25				
Jan. 1	B.	40,	¹⁰⁾ 48,	³⁰⁾ 60					148	
	S.	²⁾ 6,	⁵⁾ 10,	⁷⁾ 12,	⁸⁾ 13,	²⁰⁾ 15,	²⁵⁾ 5		61	87
Feb. 1	B.	\$ 25								
		87,								
No. 20										
<i>Fancy Rocker.</i>										
189-		\$ 35								
Jan. 1	B.	11,								

EXPLANATION OF THE STOCK BOOK.

The various numbers of the "Model Book" are placed successively in any desired blank book, with a general description of the article represented. The date is placed at the left in the usual way, and on the first line is written the number on hand at the time of the last inventory. Above this number is placed the price given on the last invoice. On this line, marked "B," are also placed the number bought, with date and price as recorded in the Invoice Book. The first line records, therefore, that the Balance on Jan. 1, was 39, worth \$10 per doz.; that on Jan. 5, 2 doz. were bought at the same price; on Jan. 10, 3 doz. at the same price; on Jan. 20, 4 doz. at \$9.60; and Jan 25, 5 doz. at \$9.70. The second line records the sales, as taken from the Sales Book. On Jan. 1, 6 were sold; on Jan. 3, 10; on Jan. 5, 20 and 24; on Jan. 15, 25, etc., till the line is filled. When the line is full, both lines are added, their sums placed in the first money column, and the difference, which should agree with the number on hand, is placed in the second money column. This number is brought down to the next line as shown for Feb. 1.

The Stock Book may well be employed where the number of articles kept for sale is small, as in the coal or lumber business. It is sometimes combined with a Sales Book, the amount of each sale or each day's sales being continually subtracted from the value of the goods on hand.

Balance Sheet, Jan. 31, 189—

	<i>Trial Balance</i>		<i>Losses</i>	<i>Gains</i>	<i>Resources</i>	<i>Liabilities</i>
<i>James Bragg</i>		16588 28				16216 71
<i>Peter C. Ripley</i>		16588 29				16216 71
<i>Henry C. Pratt</i>		20000				19628 42
<i>Merchandise</i>	396 07	1658 52		51 52	38000	
<i>Expense</i>	1375		1217 50		247 50	90
<i>Cash</i>	23503 44	10232			13271 44	
<i>Discount</i>		51 25		51 25		
<i>Accounts Receivable</i>	1392 74	418 42			974 32	
<i>Accounts Payable</i>	15	356 42				341 42
				1114 73		
	65893 18	65893 18	1217 50	1217 50	52493 26	52493 26

The above form of Balance Sheet is given as the simplest in use. It is also convenient and complete. Resources and liabilities not appearing in the Ledger and the net loss are written in red ink. The pupil should make similar Balance Sheets for February and March.

After making a Balance Sheet it is well to balance and rule all representative accounts and the proprietors' accounts. When this is done, the inventory should be placed in the representative accounts and brought down as a balance.

BILLS PAYABLE.

No.	Drawer or Endorser.	Drawee or Maker.	Payee.	For what given.	Where payable.
1		<i>Bragg & Ripley</i>	<i>Horne & Smith</i>	<i>Mdse.</i>	<i>1st Natl. B'k</i>
2		<i>Bragg & Ripley</i>	<i>Henry C. Austin</i>	<i>Money bor'd</i>	<i>Suffolk B'k</i>

BILLS RECEIVABLE.

No.	Drawer or Endorser.	Drawee or Maker.	Payee.	For what received.	Where payable.
1	<i>H. A. Ives</i>	<i>Hampden & Brockton.</i>	<i>B., R. & Co.</i>	<i>Mdse.</i>	
2		<i>Barker & Hollis</i>	<i>H. A. Ives</i>	<i>Ives' a/c</i>	

Continued Trial Balance, 189-

	January					February					March				
James Bragg					1658828					1621671					1589127
Peter C. Ripley					1658829					1621671					1589127
Henry C. Pratt					20000					1962842					1930298
Merchandise	39607				165852	3887020				351212	394861				
Expense	1375					83982					57662				
Cash	2350344	10232				2676838	1131144	1602513							
Discount					5125	612									40
Percival Smith	80842	39142				112342	80842								
P. C. Porter	103					283	103				449				
John Halifax	25430					73680	11930								
Prince Noble	4627	25									198				
H. C. Hall	9850					9850	76								
Hope C. Hawley	8225	2													
Osborn Bailey & Co.	15	35642				15	35642								
Harden & Harden						17150									
H. A. Ives						218									
Meriden Mattan Co.							3750								
W. J. Harris & Co.							74170								15
Hamden & Brockton															9724
	6589318	6589318	6912774	6912774	6119776	5119776	5119776	5119776	5119776	5119776	5119776	5119776	5119776	5119776	5119776

The Continued Trial Balance is kept in a separate book ruled for the purpose, with spaces for six or twelve months on each folio. In houses doing a large business, a trial balance may occupy many pages of the Trial Balance Book.

BILLS PAYABLE.

Date.	Time.	When Due.											Amount.	When and how disposed of.		
		J.	F.	M.	A.	M.	J.	J.	A.	S.	O.	N.	D.			
189-														189-		
Oct. 29	3 mo.		1										3500	Jan. 1	Paid	
Dec. 12	2 mo.		15										3000	" "	Paid	

BILLS RECEIVABLE.

Date.	Time.	When Due.											Amount.	When and how disposed of.		
		J.	F.	M.	A.	M.	J.	J.	A.	S.	O.	N.	D.			
Feb. 20	3 mo.					23							395	Feb. 20	Disc'd	
Mch. 10	10 d's			20									218	Mch. 10	Disc'd	

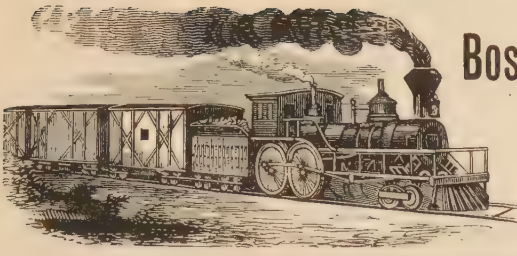
TELL TALE.

*Accounts Payable.**April 1.**Accounts Receivable.*

Date.	Paid.	Amount.	Date.	Paid.	Amount.
<i>Mch. 1</i>		<i>W. G. Harris & Co.</i>	<i>Mch. 1</i>		<i>P. C. Porter</i>
		<i>15</i>	" "		<i>Harden & Harden</i>
				<i>3/20</i>	<i>54</i>

*April 10**April 20**Mch. 20 P. C. Porter**350**May 1**May 10*

FACE OF BILL OF LADING.



Boston & Worcester Railroad Company.

Boston, *July 30,* 189*1.*

Marks and Numbers.

W. H. Fordham,
New London,
Conn.

Received from

J. Rennison & Co.

In apparent good order,

1 Sofa.
3 Chairs.
4 Bundles of Chairs.

Expense, _____

Numbered and marked as above, which the Company promises to forward by its Railroad, and deliver to
 or order, at its Depot in
 he or they first paying freight for the same at the rate customary per ton of 2000 pounds.

N. B. — If merchandise be not called for on its arrival, it will be stored at the risk and expense of the owner.

-----*For the Corporation.*

BACK OF BILL OF LADING.

The following Rules and Regulations have been adopted by the several Railroad Corporations, in regard to Freight:

☞ All articles of Freight must be plainly and distinctly marked, or they will not be received by the Company; and when designed to be forwarded after transportation on the Railroad a written order must be given, with the particular line of boats or teams, marked on the goods, if any such be preferred or desired.

The Company will not hold itself liable for the safe carriage or custody of any article of Freight, unless receipted for by an authorized Agent; and no Agent of the Company is authorized to receive, or agree to transport, any freight which is not thus receipted for. Duplicate receipts in the form prescribed by each Company, ready for signing, must accompany the delivery of any Freight to that Company.

No responsibility will be admitted, under any circumstances, to a greater amount upon any single article of freight than \$400, unless upon notice given of such amount, and a special agreement thereof. Specie, Drafts, Bank Bills, and other articles of great intrinsic or representative value, will only be taken upon a representation of their value, and by special agreement assented to by the Superintendent.

The Company will not hold themselves liable at all for any injury to any articles of Freight during the course of transportation, arising from the weather or accidental delays. Nor will they guarantee any

special despatch in the transportation of such articles, unless made the subject of express stipulation. Nor will they hold themselves liable, as COMMON CARRIERS, for such articles, after their arrival at their place of destination and unlading in the Company's Warehouses or Depots.

Machinery, Furniture, Stoves and Castings, Mineral Acids, all Liquids put up in glass or earthenware, Unpacked Fruit, and Live Animals, will only be taken at the owner's risk of fracture or injury during the course of transportation, loading and unloading, unless specially agreed to the contrary.

Gunpowder, Friction Matches, and like combustibles, will not be received on any terms; and all persons procuring the reception of such freight, by fraud or concealment, will be held responsible for any damage which may arise from it while in the custody of the Company.

All articles of Freight arriving at their place of destination must be taken away within twenty-four hours after being unladen from the Cars, — the Company reserving the right of charging storage on the same, or placing the same in store at the risk and expense of the owner, if they see fit, after the lapse of that time.

SHIPPER'S ORDER.

Boston & Worcester Railroad.

189

Marks and Numbers.	Forward the property mentioned below, marked and numbered as in the margin,
W. H. Fordham, New London, Conn.	To <u>W. H. Fordham,</u>
	At <u>New London,</u>
	<u>Conn.</u>
Subject to the Rules and Regulations in the Freight Receipt presented with this, and which are accepted and agreed to be just and reasonable.	

Advanced Charges _____ Weight _____ J. Rennison & Co.
Shipper.

FREIGHT BILL.

STORAGE COMMENCES AFTER 96 HOURS.

<u>Henry D. Carver & Co.</u>	W. B. Date, <u>10/11.</u>	<u>Boston, Oct. 14, 1891</u>
	W. B. No. <u>201.</u>	
	Pro No. <u>260.</u>	

To BOSTON & WORCESTER RAILROAD, Dr.

For Transportation and Charges from Mt. Sunapee Station.

Car No.	Weight.	Freight.	Advances.	Total.
<u>3 Bbls. Potatoes, 1 Bbl. Turnips</u>	<u>720</u>	<u>1 12</u>		<u>\$1 12</u>

Received Payment for the Corporation,
Terms, Cash on Delivery. — All goods and Merchandise will be at the risk of the owner while in the Station or Storehouses of the Corporation.
H. H. Bolton, Freight Agent.

BOSTON & WORCESTER RAILROAD.

expense of the owners, there to remain at the risk of the owner or claimant—subject, however, to the lien of this Company, for its transportation and removal charges, and subject to storage charges. **Terms, Cash on Delivery.**

Henry P. Carver & Co.

The following freight, consigned to your address, has arrived at this Station

from ..

Mt. Lyndree

and is now ready for delivery.

Amount of Freight and Charges,

Nos. Cars

What does this set illustrate? How are goods bought? What memoranda does the purchaser make. When? Who receives the goods when they arrive? What is recorded in the Receiving Book? Why is the Receiving Book important? What is a book of original entry? If goods and invoices do not agree, what should be done? If terms or prices are incorrect, what should be done? If there are imperfections or substitutions, what should be done? What is usually sent with the invoice? Describe the Bill of Lading on page 155. What is the "local notice"? Describe its form as shown on page 158. Describe the freight bill on page 156. What should be done with Bills of Lading and freight bills? How are the invoices in this set supposed to be filed? How often are they removed from the file? What is done with them after removal? Describe the Invoice Book. How are the invoices inserted in the Invoice Book? What is inserted opposite each invoice? In which set of money columns? When several invoices have been received from one party during the month, what is done with their sum? What should be done with the footings of the Invoice Book? What is done with the items in the left hand money column? What is a monthly statement? When a statement is received, what is done with it? When a statement contains items due on different dates, what may be done? What is said of a stated day for payments? How is the money usually sent? What does the seller do on receiving the money? What should be done with receipted statements or bills? When goods are bought for cash, what record should be made? What is said of bills for expense? What record is made of Cash Sales delivered at once to the purchaser? What is recorded in the Petty Cash Book? When Cash Sales are to be delivered by messenger, express, or freight, what record is made? What is done with the salesman's memorandum? When goods are sold on account and delivered to the customer, what is done? When goods are sold on account to be sent to the purchaser, what is done? When are the records of the Order Book transferred to the Sales Book? Explain the method of transferring the records of the Sales Book to the Cash Book. What is done with the total credit sales for the month? To what are the records of the Petty Cash Book transferred? Explain the method of posting from the Sales Book. From the Cash Book. How often should the personal items be posted from the Cash Book and Sales Book? Why? What

is said of statements and collections? What is said of the Bill Book? What should the pupil make? What is a Principal Book? How is it distinguished from an Auxiliary Book? What point of resemblance between the Bill Book in this set and the Invoice Register in Form 7? Explain the method of computing discount which the pupil will use in this exercise. When an account is paid before it is due, what allowance is often made? To what account should this allowance be charged? To what account are the usual discounts charged? When the Journal is omitted, what takes its place? What directions are given in regard to the Petty Cash Book and Journal in this set. What do some proprietors wish? What objection to this method? What advantage? If such complete records were kept in this set, what items would disappear in the Cash Book? Would any other changes be necessary? What is said of the Model Book? What is a "Catalogue Number"? What does the Balance Sheet show? How often is it made out in actual business? Why has the pupil been asked to close his Ledger so frequently? From what is the Balance Sheet made? Describe its form. When a Balance Sheet is made, what accounts are closed? What are left open? What is said of closing personal accounts? What is said of worthless accounts? What is a Stock Book? Describe the form on page 149. What is said of the profit column? With what is its footing compared? What terms of credit are understood in this set? What is the object of the check mark in the Sales Book and Cash Book? What other columns might be opened in the Cash Book, Sales Book, and Invoice Book? Where should the residences of customers be recorded? What is said of taking the Trial Balance? Describe the Tell Tale on page 152.

CHAPTER XIII.

WHOLESALE FISH AND CANNED GOODS BUSINESS.

The form illustrated in this Chapter is adapted to the use of wholesale dealers in fish and canned goods. The business represented is situated in Boston. Fish are bought from fishermen and other wholesale dealers; canned goods are in part bought from other manufacturers, and in part manufactured by the firm whose business is represented.

The books used are a Receiving Book, an Invoice Book, a Cash Book, a Sales Book, and a Ledger.

The Receiving Book is kept by the receiving clerk, who enters in it all goods received, as they arrive, with the names of the parties from whom they have been received. It is passed to the office daily, where its entries are compared with the invoices, which have been received by mail.

If the goods received do not correspond with the invoices, or if prices are different from prices agreed upon when the purchases were made, or if the goods are not of the quality ordered, or are defective in any particular, the matter is settled by correspondence or interview as soon as possible.

When the goods and invoices agree, the goods are placed in stock, and the invoice is copied, either in full or in part, in the Invoice Book. The Invoice Book is used as a principal book, and its records are posted directly to the Ledger.

Orders are received from travelling salesmen, from customers by mail, and from customers in person. Every order is recorded on a separate **order slip**. The order slip is approved by the financial manager, and sent to the shipping department. As the goods are shipped, the shipper checks them in the margin of the order slip, and, at the close of the day, returns the slip to the office. It is then copied into the Sales Book, unless it records a cash sale, and filed for future reference. If it records a cash sale, it is used as a memorandum of the proper entry in the Cash Book, and filed with the charge slips. The invoices are made from the records of the Sales Book, and sent by mail with the bill of lading to the customer. The receipted invoice of a cash sale may be made from the order slip, and either given to the customer or sent by mail.

The Cash Book is kept in a simple manner, merchandise being assigned to one set of money columns on each side, and all other cash entries being put in the other money columns. It is proved every day and closed monthly.

No Journal is kept, such entries as might be put in the Journal are placed in the Cash Book. (Note the opening entry, in which the amount paid for the good-will of the business is charged to expense, and the transaction with the Palmer, Stoddard Company on Dec. 5.)

Freight and duties in this set are regarded as a part of the cost of merchandise, and are therefore charged to merchandise and not to expense.

The Ledger contains the usual Ledger accounts except Cash, the Cash Book being relied upon to furnish this item. Other peculiarities of this set will be readily understood from the illustrations given. The pupil should write it up in full, and secure the results indicated in the Balance Sheet on page 168.

The Cash Book, Invoice Book, and Sales Book are represented as closed at the end of the first week. This is done to show the method of closing. *The pupil should not close his till Dec. 26; thus securing longer columns and compelling more careful attention.*

EXERCISE 22.

Milton B. Stone and John M. Whitney unite in business, Nov. 7, 1891, each investing \$25,000 in cash. The firm name is Stone & Whitney.

They purchase the merchandise, factory, fixtures, etc., of Hall & Judson, paying cash for the same, as follows: merchandise, \$18,000; factory, \$5000; teams, \$2700; store fixtures, \$700; machinery, \$1200.

They assume the payment of the following notes: No. 1, for \$1200, payable to Boyd & Gibson, dated Oct. 1, 1891, due three months from date; No. 2, for \$700, payable to the Fifth National Bank, dated Oct. 1, 1891, due three months from date; No. 3, for \$600, payable to Geo. H. Bailey, dated Sept. 1, 1891, due four months from date.

The following notes endorsed to their order are received with the business:—

No. 1, for \$500, signed by Everett & Peabody, dated Oct. 20, 1891, due four months from date; No. 2, for \$1000, signed by the Palmer, Stoddard Company, dated Oct. 1, 1891, due three months from date.

The difference between the value of the notes receivable and that of the notes payable is practically the price which they pay for the good-will of the business.

The following explanations are needed:—

The terms, unless otherwise stated, are uniformly net thirty days, one per cent discount if paid within ten days, on fish; net sixty days, $1\frac{1}{2}$ per cent discount if paid within ten days, on canned goods.

The price of canned goods is given by the dozen cans. Canned goods are packed in cases containing from one to four dozen cans each. The abbreviations " $\frac{2}{1}$," " $\frac{3}{1}$," " $\frac{4}{1}$," etc., indicate "2 doz. 1 lb.," "3 doz. 1 lb.," "4 doz. 1 lb.," etc., cans, the numerator uniformly expressing the number of dozen cans per case, the denominator expressing the number of pounds in a can. In a few instances the price per case is given.

Invoices are filed in any convenient way, preferably in the order in which they become due, and sent with check, note, or draft in payment. They are returned receipted, and are again filed for preservation.

The Receiving Book is not shown. It has the same form as the Receiving Book in the previous set, and its records are similar to those in the first form of Invoice Book with the exception of the prices, which are omitted.

Nov. 7.

Bought of Fred W. Greenough, Yarmouth, N.S., 56 bbls. large 2's (mackerel) @ \$13.50. Paid duty on same @ 1¢ per lb., \$112. Paid freight, \$16.80. Bought of Geo. I. Capen, Gloucester, 1 crate, 40 qtls., medium dry bank cod @ \$4.50 per qtl.; 1 crate, 30 qtls., large pickled bank cod @ \$6 per qtl. Sold Wayne & Barker, St. Louis, Mo., 5 bbls. small 3's (mackerel) @ \$8; 1 bbl. large 3's (mackerel), \$13.50; $\frac{1}{2}$ bbl. large 2's (mackerel), \$9.32; ten 100-lb. bundles dry bank cod @ 5¢; twelve 40-lb. boxes Dolphin cod @ 8¢. Sold the Palmer, Stoddard Company, 100 cases $\frac{4}{1}$ fresh mackerel @ \$1.05; 5 cases $\frac{4}{1}$ lobster @ \$2.15; 1 case $\frac{4}{1}$ canned bluefish @ \$1.40; 5 cases $\frac{2}{3}$ tomato sauce mackerel @ \$2.75; 5 cases $\frac{2}{3}$ oval brook trout @ \$4 per case. Sold Everett & Peabody, Chicago, 25 cases $\frac{1}{4}$ oil American sardines @ \$3.85 per case; 10 cases $\frac{3}{4}$ mustard sardines @ \$3 per case. Bought of Smith & Carver, Boston, 1000 boxes medium scaled herring @ 14¢ per box; 200 boxes No. 1 herring @ 11¢. Sold to Elijah B. Stone, Jacksonville, Fla., three 100-lb. bundles large pickled bank cod @ $7\frac{1}{4}$ ¢; two 100-lb. bundles medium dry bank cod @ 6¢. Bought for cash 200 bushels oats @ 38¢; 5 tons hay @ \$15.50. Paid for stamps, \$10. Paid freight on 1 bbl. large No. 3 mackerel returned from Wayne & Barker, 45¢. Paid for washing floor and windows, \$1.25. Paid for labor as per pay-roll, \$150. [Merchandise on hand, \$19,016.72.]

Nov. 14.

Bought of Andrew F. Miner, Portland, Me., 25 bbls. large split herring @ \$4.50, f. o. b. Sold John T. Martin, Albany, N.Y., 3 bbls. large 2's (mackerel) @ \$18; 2 halves large 2's (mackerel) @ \$9.32; ten 20-lb. kits large 2's (mackerel) @ \$1.97. Sold Wm. H. Brackett & Co., Philadelphia, Pa., 10 cases $\frac{2}{2}$ canned chicken @ \$2.25; 5 cases $\frac{2}{2}$ canned turkey @ \$2.50; 5 cases $\frac{4}{1}$ canned

salmon @ \$1.20 per doz. Everett & Peabody paid their bill of Nov. 7, less discount. Bought of Henry W. Russell 300 boxes 14 × 20 tin plate @ \$5.30 per box; 4 soldering irons @ \$1.50. Sold Everett & Peabody, Chicago, 25 cases $\frac{2}{2}$ codfish balls @ \$1.70; 10 cases $\frac{2}{2}$ mutton @ \$2.30; 5 cases $\frac{2}{1}$ lunch tongue @ \$2.25. Bought of Wm. F. Sleeper & Co. 100 cases $\frac{2}{2}$ codfish balls @ \$1.60. Sold Edson & Fletcher, delivered in New York, 500 lbs. large pickled bank cod @ $7\frac{1}{2}\phi$; 10 cases $\frac{2}{2}$ canned codfish balls @ \$1.75; 10 cases $\frac{4}{1}$ canned clams @ 90¢; 10 cases $\frac{4}{1}$ fresh mackerel @ \$1.05. Paid freight, \$3.50. Bought for cash, 1000 lbs. chicken @ 6¢. Sold for cash, 100 boxes medium scaled herring @ 16¢. Paid for labor as per pay-roll, \$165. Mr. Stone drew, for personal use, \$50. Paid F. W. Greenough's, G. I. Capen's, and Smith & Carver's bills of Nov. 7, less discount.

Nov. 21.

Paid Andrew F. Miner and William F. Sleeper & Co. their bills of Nov. 14 less discount of 1 %. Paid Henry W. Russell his bill of Nov. 14, less $1\frac{1}{2}$ %. Sold Palmer, Stoddard Company 100 cases $\frac{2}{3}$ Brick Oven brand baked beans @ \$1.10; 10 cases $\frac{2}{2}$ chicken @ \$2.25. Bought for cash 125 bushels beans @ \$1.40, and 300 fresh mackerel @ $2\frac{1}{2}\phi$ each. Sold for cash 15 lbs. smoked salmon @ 15¢; 20 boxes medium scaled herring @ 17¢; 10 lbs. smoked halibut @ 13¢. Sold for cash, 1 case $\frac{4}{1}$ fresh mackerel @ \$1.15. Sold Wayne & Barker, St. Louis, 1 bbl. small 3's (mackerel), \$8.25; 1 bbl. Bay 1's (mackerel), \$18. Bought of Andrew F. Miner, Portland, Me., 50 bbls. split herring @ \$4.75. Sold Elijah B. Stone, Jacksonville, Fla., 10 cases $\frac{2}{2}$ codfish balls @ \$1.75; 5 cases $\frac{4}{1}$ lobsters @ \$2.15; 1 case $\frac{4}{1}$ fresh bluefish @ \$1.35. Sold John T. Martin, Albany, 5 bbls. split herring @ \$5.25; 1 bbl. large 2's (mackerel), \$17.50; 1 bbl. small 3's (mackerel), \$8.25. Paid for labor as per pay-roll, \$160. Mr. Whitney drew \$50 for personal use. Paid assessment to Boston Fish Bureau, \$50. Discounted our note, favor of Boyd & Gibson, dated Oct. 1, 1891, for \$1200, and our note, favor of Fifth National Bank, for \$700, dated Oct. 1. J. T. Martin paid his bill of Nov. 14, less discount.

Nov. 28.

Bought for cash, 50 bush. tomatoes @ 15¢. Sold Harris & Bailey, Worcester, 25 cases $\frac{1}{4}$ oil American sardines @ \$3.65 per case; 10 cases $\frac{3}{4}$ mustard sardines @ \$2.90 per case; 5 cases $\frac{4}{1}$ salmon @ \$1.25; 3 cases $\frac{4}{1}$ fresh mackerel @ \$1.10. The Palmer, Stoddard Company of New York discounted their note of Oct. 1 for \$1000. Paid Andrew F. Miner's bill of Nov. 21, less discount. Sold Carpenter & Russell, 25 cases $\frac{2}{3}$ Boston baked beans at \$1.25; 10 cases $\frac{4}{1}$ fresh mackerel @ \$1.10; 5 cases $\frac{2}{2}$ codfish balls at \$1.75; 15 lbs. smoked salmon @ 15¢. Sold Wm. H. Brackett & Co., Philadelphia, 5 bbls. small 3's (mackerel) @ \$8; 1 bbl. large 2's (mackerel), \$17.50; five 40-lb. boxes Silver Brick codfish @ 8¢; five 40-lb. boxes Dolphin brand codfish @ $7\frac{1}{2}\phi$. Bought of Gaylord & Harding, Halifax, N.S., 30 bbls. small 3's (mackerel) @ \$4.75. Paid duty in cash @ 1¢ per lb., \$60, and freight at 30¢ per barrel. Bought of George I. Capen, Gloucester, 10 bbls. pickled codfish @ \$5.25. Discounted our note favor of Geo. H. Bailey & Co. of Sept. 1, for \$600. The Palmer, Stoddard Company paid their bill of Nov. 21, less discount. Paid for labor as per pay-roll, \$145.

Dec. 5.

Sold the Palmer, Stoddard Company, New York, 15 bbls. small 3's (mackerel) @ \$8.25; 3 bbls. pickled codfish @ \$6; charged for drayage to steamer wharf, 60¢ (S. B.). Sold Edson & Fletcher, New York, ten 40-lb. boxes Silver Brick codfish @ $8\frac{1}{2}\phi$; five 40-lb. boxes Dolphin codfish @ $7\frac{5}{8}\phi$; 100 boxes medium scaled herring @ $16\frac{1}{2}\phi$. Everett & Peabody discounted their note of Oct. 20 for \$500. Harris & Bailey paid their bill of Nov. 28, less discount. Bought for cash, one hundred 40-lb. codfish boxes @ \$10.65 per hundred; 200 fresh mackerel cases @ \$9.75 per hundred; 100 Boston baked bean cases @ \$13.50 per hundred (charge to Mdse.). Bought of Gaylord & Harding 10 bbls. large

2's (mackerel) @ \$13.50; 10 bbls. No. 1 mackerel @ \$17. Paid duty in cash @ 1¢ per lb., \$40. Paid freight in cash, \$6. Wayne & Barker paid their bill of Nov. 7. The Palmer, Stoddard Company sent note for three months with interest at 7% in payment for their invoice of Nov. 7, and we sent receipted bill. (C. B., both sides.) Wm. H. Brackett & Co. paid their bill of Nov. 14. Everett & Peabody paid their bill of Nov. 14. Paid Gaylord & Harding and George I. Capen their bills of Nov. 28. Sold Wm. H. Brackett & Co., Philadelphia, 5 bbls. No. 1 mackerel @ \$19; 2 half-barrels No. 1 mackerel @ \$9.82; 100 boxes medium scaled herring @ 16½¢; 100 boxes No. 1 herring @ 12½¢. Sold Wayne & Barker, St. Louis, fifteen 40-lb. cases Dolphin brand codfish @ 8¢. Paid for labor as per pay-roll, \$150.

Dec. 12.

Elijah B. Stone not having paid his bill of Nov. 7, we drew on him for the amount. Edson & Fletcher paid their bill of Nov. 14. Paid Gaylord & Harding their bill of Dec. 5. Wm. H. Brackett & Co. paid their bill of Dec. 5, less discount. Sold the Palmer, Stoddard Company, New York, 15 bbls. large split herring @ \$5.75; 5 bbls. medium split herring @ \$5.00. Sold John T. Martin 10 cases $\frac{2}{3}$ Brick Oven brand baked beans @ \$1.20; 5 cases $\frac{2}{2}$ codfish balls @ \$1.80; 5 cases $\frac{4}{1}$ canned salmon @ \$1.25. Sold Elijah B. Stone, Jacksonville, Fla., 10 bbls. small 3's (mackerel) @ \$8.25; 10 cases $\frac{2}{3}$ canned clam chowder @ \$1.80; 3 cases $\frac{2}{1}$ boneless herring @ \$1.30; three 40-lb. boxes Silver Brick codfish @ 7½¢. Bought of Charles F. Brown & Co., Gloucester, 1 crate hake, 40 qtls. @ \$2 per qtl., delivered in Boston. Paid freight, \$2.28 (charge to Brown). Sold Edson & Fletcher of New York 25 cases $\frac{2}{2}$ roast beef @ \$1.65; 10 cases $\frac{4}{1}$ canned clams @ 90¢; 5 cases $\frac{2}{1}$ boneless herring @ \$1.30; 25 5-lb. pails spiced herring @ 45¢ per pail. Paid for labor as per pay-roll, \$155.

Dec. 19.

Received from First National Bank of Jacksonville, Fla., draft on New York in payment of E. B. Stone's purchase of Nov. 7. (Cash, *Dr.*; E. B. S., *Cr.*) Carpenter & Russell paid their bill of Nov. 28, and Wayne & Barker paid their bill of Nov. 21. The Palmer, Stoddard Company discounted their bill of Dec. 12. J. T. Martin paid his bill of Dec. 12, less discount. Paid C. F. Brown's bill of Dec. 12, less discount and freight. Edson & Fletcher paid their bill of Dec. 12, less discount. Bought of Wm. F. Sleeper & Co. 100 cases $\frac{2}{2}$ blueberries @ \$1.12½. Sold Carpenter & Russell, Baltimore, 10 bbls. small 3's (mackerel) @ \$8.50; 2 half-barrels small 3's (mackerel) @ \$4.57; 5 cases $\frac{2}{2}$ codfish balls @ \$1.80; 5 cases $\frac{2}{2}$ blueberries @ \$1.25; 3 cases $\frac{2}{1}$ boneless herring @ \$1.30. Bought of Smith & Carver 500 boxes medium scaled herring @ 13½¢; 100 boxes No. 1 herring @ 11¢. Sold Harris & Bailey 6 cases $\frac{2}{2}$ blueberries @ \$1.25; 5 cases $\frac{4}{1}$ salmon @ \$1.25; 2 cases $\frac{2}{1}$ boneless herring @ \$1.30. Sold Elijah B. Stone, Jacksonville, Fla., 100 cases $\frac{1}{4}$ oil sardines (American) @ \$3.70 per case; 15 cases $\frac{3}{4}$ mustard sardines @ \$2.90 per case. Sold Everett & Peabody, Chicago, delivered, 5 bbls. large No. 2 mackerel @ \$17.50; 3 bbls. small No. 3 mackerel @ \$8.50. Paid freight on same, \$2.85. Paid for wages as per pay-roll, \$140.

Dec. 26.

Elijah B. Stone paid his bill of Nov. 21. Paid Wm. F. Sleeper & Co. their bill of Dec. 19, less discount. Paid Smith & Carver's bill of Dec. 19, less discount. Harris & Bailey and Everett & Peabody discounted their bills of Dec. 19. Bought 25 bbls. medium 3's (mackerel) of Andrew F. Miner, Portland, @ \$9.50. Paid freight, \$1.75. Sold 25 cases $\frac{2}{2}$ blueberries to Wayne & Barker, St. Louis, @ \$1.25; 2 cases $\frac{2}{1}$ lunch tongues @ \$2.25; 1 case $\frac{2}{1}$ boneless herring @ \$1.30. Sold Wm. H. Brackett & Co., Philadelphia, 5 bbls. No. 1 mackerel @ \$20; 3 bbls. No. 2 mackerel @ \$15; 3 bbls. small 3's (mackerel) @ \$8.50; five 40-lb. boxes Silver Brick codfish @ 7½¢. Sold Carpenter & Russell, Baltimore, 100 cases $\frac{1}{4}$ oil sardines @ \$3.75 per case; 30 cases $\frac{3}{4}$ mustard sardines @ \$2.90 per case; 5 cases $\frac{4}{1}$ salmon @ \$1.25; 5 cases $\frac{2}{2}$ chicken @ \$2.25; 3 cases $\frac{2}{2}$ turkey @ \$2.50. Paid for labor as per pay-roll, \$160. Merchandise per inventory, \$20,102.91.

INVOICE BOOK. (*First Form.*)*Boston, November, 1891.*

	7.				
	Fred W. Greenough, Yarmouth, N.S.				
	56 bbls. large # 2 Mkl. @ \$ 13.50			756	
	7.				
	Geo. I. Capen, Gloucester				
	40 qtls. medium D. B. Cod @ \$4.50	180			
	30 qtls. large P. B. Cod @ \$ 6.00	180		360	
	7.				
	Smith & Carver				
	1000 bxs. medium Herring @ 14¢	140			
	200 bxs. # 1 Herring @ 11¢	22		162	
	7.				
	Wayne & Barker, St. Louis				
	1 bbl. large # 3 Mkl.			13	50
165	Merchandise, Dr.			1291	50

INVOICE BOOK. (*Second Form.*)*Boston, November, 1891.*

L. F.	Date.		When due.	Amount.
	7	Fred W. Greenough, Yarmouth, N.S.	Dec. 7	756
	7	Geo. I. Capen, Gloucester	" "	360
	7	Smith & Carver	" "	162
	7	Wayne & Barker, St. Louis	" "	13 50
165		Merchandise, Dr.		1291 50

The second form of Invoice Book is practically the same as the Invoice Register in the former exercises.

As the bills are paid, they should be checked in the column at the left.

When the terms of payment are uniform, the Invoice Book may serve as a Tell Tale of the dates of payment. When terms differ, some other method should be adopted, such as filing the invoices in the order in which they become due, — often an easy and economical way.

In actual business the Invoice Book, Cash Book, and Sales Book are, of course, footed and posted at the close of the month. The pupil should foot and close his only on Dec. 26.

SALES BOOK.

Boston, November, 1891.

7			
Wayne & Barker, St. Louis			
5 bbls. small # 3 Mkl. @ \$8.00	40		
1 bbl. large # 3 Mkl.	13	50	
$\frac{1}{2}$ bbl. large # 2 Mkl.	9	32	
10 100-lb. bundles D. B. Cod @ 5 ¢	50		
12 40-lb. bxs. Dolphin Boneless Cod @ 8 ¢	38	40	
30 days			151 22
7			
The Palmer, Stoddard Co., New York			
100 cases $\frac{4}{1}$ Fresh Mkl @ \$1.05	420		
5 cases $\frac{4}{1}$ Lobsters @ \$2.15	43		
1 case $\frac{4}{1}$ Canned Bluefish @ \$1.40	5	60	
5 cases $\frac{2}{3}$ Tomato Sauce Mkl. @ \$2.75	27	50	
5 cases $\frac{2}{3}$ Brook Trout @ \$4.00 per case	20		
60 days			516 10
7			
Everett & Peabody, Chicago, Ill.			
25 cases $\frac{1}{4}$ Oil Sardines @ \$3.85 per case	96	25	
10 cases $\frac{3}{4}$ Must. Sardines @ \$3.00 per case	30		
60 days			126 25
7			
Elijah B. Stone, Jacksonville			
3 100-lb. bundles large P. B. Cod @ $7\frac{1}{4}$ ¢	21	75	
2 100-lb. bundles medium D. B. Cod @ 6 ¢	12		
30 days			33 75
165	Merchandise, Cr.		827 32
14			
John T. Martin, Albany, N.Y.			
3 bbls. large # 2 Mkl. @ \$18.00	54		
$2\frac{1}{2}$ bbls. large # 2 Mkl. @ \$9.32	18	64	
10 20-lb. kits large # 2 Mkl. @ \$1.97	19	70	
30 days			92 34
14			
165	Wm. H. Brackett & Co., Philadelphia		
10 cases $\frac{2}{2}$ Canned Chicken @ \$2.25	45		
5 cases $\frac{2}{2}$ Canned Turkey @ \$2.50	25		
5 cases $\frac{4}{1}$ Canned Salmon @ \$1.20	24		
60 days			94
	Forward		186 34

WM. H. BRACKETT & Co., Philadelphia.

1891				1891			
Nov. 14	S.		94	Dec. 5	C.		94
28	S.		88 50	12	C.		143 64
Dec. 5	S.		143 64				
26	S.		185 50				

EXPENSE.

1891				1891			
Nov. 7	C.	167	1000	Nov. 7	L. & G.	165	1314 75
	C.	167	76				
	C.	167	77 50				
	C.	167	10				
	C.	167	1 25				
	C.	167	150				
			1314 75				1314 75

MERCHANDISE.

1891				1891			
Nov. 7	C.	167	18129 25	Nov. 7	S.	164	827 32
	I.	163	1291 50		Inventory		19016 72
	L. & G.	165	423 29				
			19844 04				19844 04

LOSS AND GAIN.

1891				1891			
Nov. 7	Expense	165	1314 75	Nov. 7	Merchandise	165	423 29
					M. B. S.		445 73
					J. W. W.		445 73
			1314 75				1314 75

These accounts are given to show the form of the Ledger. The entries in the item columns indicate the books from which the several amounts have been taken. The Loss and Gain account might be omitted, as its results are shown in the Balance Sheet.

A Ledger with narrow item columns and with two accounts on a page, side by side, may be used with economy in this form.

CASH.				Cr.	
				Sundries.	Merchandise.
1891					
Nov. 7.	✓	Merchandise	Hall & Judson's Stock		18000
		Factory		5000	
		Teams		2700	
		Fixtures		700	
		Machinery		1200	
165		Expense		1000	
		Notes Receivable		1500	
	✓	Merchandise	Duty on Fish, F. W. G.		112
	✓	Merchandise	Freight		16 80
165		Expense	200 bush. Oats @ 38¢	76	
165		Expense	5 tons Hay @ \$15.50	77 50	
165		Expense	Postage	10	
	✓	Merchandise	Freight, W. B.		45
165		Expense	Scrubbing	1 25	
165		Expense	Salaries	150	
				12414 75	
165		Merchandise, Dr.		18129 25	
		Balance		21956	
				52500	

BALANCE SHEET. Nov. 7, 1891.

L. F.	Trial Balance.				Losses.	Gains.	Resources.	Liabilities.
	Milton B. Stone		25000			445 73		24554 27
	John W. Whitney		25000			445 73		24554 27
	Expense	1314 75			1314 75			
	Notes Payable		2500					2500
	Notes Receivable	1500					1500	
	Factory	5000					5000	
	Wayne & Barker	151 22	13 50				137 72	
	The Palmer, Stoddard Co.	516 10					516 10	
	Everett & Peabody	126 25					126 25	
	Elijah B. Stone	33 75					33 75	
	Fred W. Greenough		756					756
	Smith & Carver		162					162
	Geo. I. Capen		360					360
	Merchandise	19420 75	827 32			423 29	19016 72	
	Teams	2700					2700	
	Fixtures	700					700	
	Machinery	1200					1200	
	Cash	52544 55	30588 55				21956	
		85207 37	85207 37		1314 75	1314 75	52886 54	52886 54

The gain on the sales of merchandise is represented as abnormally large in proportion to the sales. This arises from the fact that only a small portion of the business is given. The pupil will notice that the net loss appears opposite the proprietors' names.

BALANCE SHEET. Dec. 26, 1891.

L. F.	Trial Balance.				Losses.	Gains.	Resources.	Liabilities.
Milton B. Stone	50	25000				515 77		24434 23
John W. Whitney	50	25000				515 77		24434 23
Expense	2439 75			2439 75				
Fixtures	700						700	
Teams	2700						2700	
Notes Receivable	2016 10	1500					516 10	
Discount	12 50	17 22				4 72		
Machinery	1200						1200	
J. T. Martin	211 34	159 34					52	
Wm. H. Brackett & Co.	511 64	237 64					274	
Edson & Fletcher	358	293 25					64 75	
Andrew F. Miner	350	587 50						237 50
Carpenter & Russell	783 19	126 25					656 94	
Wayne & Barker	299 57	177 47					122 10	
The Palmer, Stoddard Co.	1034 70	892 35					142 35	
Elijah B. Stone	665 95	117 15					548 80	
Merchandise	23241 17	4541 75				1403 49	20102 91	
Factory	5000						5000	
Cash	56684 53	39658 52					17026 01	
	98308 44	98308 44		2439 75	2439 75	49105 96	49105 96	

These Balance Sheets show how difficult it sometimes is to exhibit the actual worth of a business, and how arbitrary is the division of accounts into representative and real accounts.

The Expense account shows that a thousand dollars was paid for the good-will of the business bought out by Stone & Whitney. It would have been perfectly fair to include this good-will among the assets. In this case a gain for the first week would have appeared upon the books. On the other hand, the fixtures, teams, machinery, and factory are treated as having the same value as when purchased, and their entire cost has been carried to the assets. It would be fair to suppose that each has deteriorated somewhat during the two months. Other resources might have been shown. The large cash balance has been drawing 2 % interest at the bank, and the Palmer, Stoddard Company's note has now an increased value from the interest that has accrued. The method of recording the assets and liabilities which do not appear on the books has been explained in the Furniture Set.

The pupil should be required to make new Balance Sheets, placing various estimates of value on the goodwill, fixtures, teams, machinery, and factory, and including accrued interest among the assets.

At the close of the month, after taking his Trial Balance and making his Balance Sheet, the pupil should close all his accounts.

No Note Book is shown. A Note Book should be kept by the pupil, as a memorandum of all notes and drafts given and received.

QUESTIONS.

What business is represented in this chapter? Of whom are goods bought? To whom are they sold? What kind of goods are manufactured by the firm? What books are kept? What is entered in the Receiving Book? With what are its entries compared? How are mistakes corrected? What does the Invoice Book contain? To what are its records transferred? How are goods ordered? On what are orders first entered? To whom do the order slips go first? For what purpose? To whom next? For what purpose? To whom next? What is done with them in the office? With what two records should the invoice agree? Describe the Sales Book. To what are its records transferred? What sales only are entered in the Sales Book? Where are Cash Sales entered? Describe the Cash Book. How often is it proved? How often is it closed? What is said of the Journal? Could a Journal be kept? If a Journal were kept what entries would be recorded in it? To what are freight and duties charged? What is said of the Ledger? Of the Cash account? What special explanations are given? In what order should invoices be filed? What is done with them when they are paid? Describe the Receiving Book? How does the second form of Invoice Book differ from the first? What five things are shown by the second form? Explain the method of posting from the Cash Book. In writing this set when may the pupil close the Cash Book? Describe the Ledger in this set. What do the letters in the item column indicate? What is said of the gains exhibited on the Balance Sheet? What other assets might have been included in the Balance Sheet? What possible losses are omitted from the Balance Sheets? Explain how these omitted items would be recorded. Why have they been omitted? When the pupil has finished his Balance Sheet what should he do in his Ledger? What book is not shown?

CHAPTER XIV.

FORM X.

COMMISSION BUSINESS.

A **commission merchant** is a person who sells goods for another, charging for his services a commission on the amount received for the goods sold.

A **consignment** is merchandise of any kind received by one person to be sold for another.

A **shipment** is merchandise of any kind sent away to be sold.

The person sending a shipment is called a **consignor** or **shipper**; the person receiving a consignment is called a **consignee**.

An **Account Sales** is a formal statement of goods received and sold, with prices and charges, sent by the consignee to the shipper.

In this set we illustrate practical forms for a consignment business.

The books employed are a Receiving Book, an Invoice Register, a Cash Book, a Sales Book, a Consignment Book, a Sales Ledger, and a General Ledger.

The Receiving Book is used to record the kinds and quantities of goods received on consignment, the dates when they are received, the names of the owners, and the condition in which the goods arrive.

The Consignment Book is used to keep a complete record of every consignment. Receipts, sales, prices, charges, and remittances are recorded in full, and from the records of this book the accounts sales are made out. Its data are obtained from the Receiving Book and the Sales Book.

The Cash Book introduces several special columns to facilitate the labor of posting.

The Sales Book is made from the records of the credit sales slips which are filled out by the salesmen when goods are sold. It is used as a principal book; its several items are posted to the accounts of the Sales Ledger, and its footings are carried to the General Ledger.

The Sales Ledger is used to record all accounts with customers.

The General Ledger contains all accounts not included in the Sales Ledger.

The method of conducting the business and making its records is as follows:—

When consignments are received, they are marked with a "lot number," the initial of the consignor, or some other distinctive character, and entered at once in the Receiving Book. At stated times the Receiving Book is passed to the office, where its records are transferred to the Consignment Book.

When goods are sold, a full record of the sale, with terms, prices, and lot numbers is made by the salesman on an order slip. The form of order slip may be seen on the opposite page.

The object of numbering the slips is to make it easy to be sure that none have been lost.

The order slips are "blocked" for convenience in using. When they are filled out, they are torn off and preserved. When the goods are to be shipped, a sales slip serves as an order slip. The shipping clerk packs and ships the goods, and places his "check" in the second column of the slip, which then goes to the book-keeper. The book-keeper fills out the last two sets of money columns, places the slips representing cash sales by themselves, and copies the records of the credit sales into the Sales Book. At the close of the day the slips for cash sales are footed and filed, and their amount is carried to the Cash Book.

The charge for commission is uniformly five per cent, and the usual term of credit is thirty days, with a discount of one or two per cent on bills paid within ten days.

Freight and drayage are charged to merchandise, on the theory that they constitute a portion of its cost.

All discounts for the payment of bills before they are due are charged to merchandise, although the bills may be in part or wholly for goods sold from consignments.

To save labor and space, the "one per cent for cash" is entered as commission in the Cash Book.

When goods are sold at different times, or on different terms of credit, and when the consignor has an "open account" with the consignee, remittances are sometimes considered due at the equated time, as found by the rules for "equation of payments."

In the following set the pupil may insert the name of the state in which he resides.

EXERCISE 23. MEMORANDA.

July 3, 1891. Cash on hand, \$497.02. Bought for cash of Judson H. White, Hallsville, 10 tubs creamery butter, 31, 28, 26, 31, 28, 27, 36, 31, 29, 30 lbs., @ 17¢. Paid freight and drayage, \$3.15. Received from Leroy C. Chandler, Zanes Falls, to be sold on his account and risk, 50 doz. eggs, 356 lbs. spring chicken, 200 lbs. fowl. Freight and trucking, \$3.62. Paid cash for new Ledger, \$4.50. Received from Charles G. Griffith, St. Cloud, to be sold on his account and risk, 687 lbs. sage cheese. Paid freight and cartage, \$1.75. Bought of Samuel J. Weed, Ansonia, @ 2/30, 1600 lbs. extra fowl @ 13¢. [Delivered.] Sold Bickford & Jordan, 5 tubs creamery butter @ 1/30, 31, 26, 28, 36, 29 lbs. @ 19¢ [Delivered.] Sold Hall P. Johnson, Jonesville, for cash, 500 lbs. sage cheese @ 8½¢ (consignment No. 2), and shipped per C. R. R. Took on our own account, @ 30 days (consignment No. 1), and shipped to James W. Miller, Tilton, to be sold on our account and risk, 50 doz. eggs @ 22¢. Received from A. P. Hatch, New Chatham, 8 tubs creamery butter, 26, 23, 29, 15, 17, 19, 15, 16 lbs., to be sold on his account and risk. Paid freight and drayage, \$1.95. Shipped Henry M. Bright, Kensington, to be sold on our account and risk, 678 lbs. creamery butter @ 18¢. Sold William McDonald, Antrim, for cash, and shipped by American Express, 1600 lbs. extra fowl @ 14¢, 200 lbs. common fowl @ 12¢ (consignment No. 1). Sold C. H. Swain, Sandown, @ 2/10, net 30, 300 lbs. choice spring chicken @ 20¢ (consignment No. 1). [Merchant's Despatch.] Received from Wm. B. Rich, Rockport, to be sold on his account and risk, 682 lbs. cheese. Paid freight and drayage, \$2.90. Paid weekly salaries, \$38.

[The pupil will now foot the charges for freight made in the Consignment Book during the day, and carry the amount to the proper columns of the credit side of the Cash Book. He will select the cash sales blanks and enter the amount of cash consignment sales and cash merchandise sales separately in the proper columns on the debit side of the Cash Book.

The difference between the two sides of the Cash Book is found, and compared with the amount of cash on hand. If the two agree, the balance is entered for reference in small red figures in the general column, as shown on page 181. The Cash Book is balanced and its footings carried to the Ledger only at the close of the month. When freight charges are paid weekly or monthly as is common, the charges cannot be entered in the Consignment Book till the bills are rendered. In this case the entry is made in the Cash Book only so often as the bills are received and paid, the proper amount being put in the consignment column, and the remainder in the merchandise column.]

July 11. Received from William B. Rich, Rockport, per E. R. R., to be sold on his account and risk, 16 tubs, 40, 42, 41, 39, 40, 46, 42, 22, 21, 19, 21, 20, 30, 31, 32. 30 lbs. butter. Bought of Leroy C. Chandler, Zanes Falls, @ 2/30, 8 tubs, 20, 21, 19½, 41, 40, 36½, 38, 24 lbs. Vermont dairy butter @ 17¢. Sold Chas. E. Welch, Fredonia, @ 1/30, 8 tubs, 26, 23, 29, 15, 17, 19, 15, 16 lbs. creamery butter @ 22¢ (consignment No. 3). Sold Cyrus C. Tibbals, Grantham, for cash, 187 lbs. sage cheese @ 9¢ (consignment No. 2). Bought of Samuel J. Weed for cash, 75 doz. eggs @ 19¢. Shipped per E. R. R. to J. H. White, Hallsville, to be sold on our account, 500 lbs. Vermont dairy butter @

17¢. Paid for new sign for store, \$25.00 (Expense). Rendered accounts sales to A. P. Hatch and Chas. G. Griffith, charging 5 % commission on sales and 1 % for cash, and remitting proceeds in cash by check. Received account sales of shipment to James W. Miller; net proceeds in cash, \$11.30. Received account sales of shipment to H. M. Bright; net proceeds, \$136.21 to H. M. Bright's account. [Enter on debit side of C. B. in General column, and on credit side in Merchandise column. Then enter in S. B. as a sale of Merchandise to Bright. If a Journal were kept, the record would be simpler.] Sold L. A. Harrison for cash, 56 lbs. spring chicken @ 20¢ (consignment No. 1). [Delivered.] Receive and pay bills for freight and trucking for the week, \$5.81 (consignment No. 5, \$2.45). Paid salaries, \$38. C. H. Swain paid bill of July 3, less discount.

[Enter the cash balance in red ink, and post the items of the sales, purchases, consignments, and shipments as before.]

July 18. H. J. Allen drew for personal use, \$50. Received from Samuel J. Weed, to be sold on his account and risk, 1200 lbs. cheese. Sold Stephen A. Harrison for cash, 500 lbs. cheese @ 8½¢ (consignment No. 4). [Delivered.] Sold William McDonald, Antrim, @ 1/30, 10 tubs, 40, 42, 41, 40, 46, 22, 21, 21, 20, 30 lbs. creamery butter @ 19¢ (consignment No. 5). Bought for cash of James M. Wood, Brightwood, 692 lbs. dairy butter @ 15¢. Sold Robert E. Thompson, Maplewood, @ 1/30, 182 lbs. cheese @ 8½¢ (consignment No. 4), and 160 lbs. spring chicken @ 21¢. [American Express.] Sold Hall P. Johnson, Jonesville, for cash, and sent by Merchants Despatch, 300 lbs. creamery butter @ 22¢, 193 lbs. butter, 6 tubs, 39, 42, 19, 31, 32, 30, @ 19¢ (consignment No. 5). Received account sales of shipment to J. H. White. Proceeds remitted in cash, \$105.45. Sent account sales for consignments No. 4 and No. 5 and remitted proceeds in cash to W. B. Rich. Sold James H. Kirkwood, Shawmut, @ 1/30, 300 lbs. skim cheese @ 3¢ (consignment No. 6). [Delivered.] Paid S. J. Weed's bill of July 3, less discount. Shipped Cyrus C. Tibbals, to be sold on our account and risk, 1125 lbs. common fowl @ 10¢. Prepaid express, \$1.75. [Charge express to the shipment.] Paid freight bill for the week, \$2.67, of which \$1.42 was on account of consignment No. 6. Paid salaries, \$38.

July 25. Received from W. S. Reed & Co., Wriglington, to be sold on their account and risk, 2500 lbs. fowl. Sold Bickford & Jordan, Great Park, 150 lbs. common fowl @ 10¢, for cash. [Delivered.] Sold James W. Miller @ 1/30, 250 lbs. creamery butter @ 22. [P. R. R.] Received from Chas. G. Griffith, St. Cloud, 250 lbs. cheese to be sold on his account and risk. Sold Chas. E. Welch, Fredonia, @ 1/30, 900 lbs. skim cheese @ 2½¢ (consignment No. 6). Bought of C. H. Swain, Sandown, @ 2/30, 300 doz. eggs @ 19¢, paying \$1.60 express, and shipped them to William McDonald by American Express to be sold on our account. Prepaid express, \$1.25. [Two entries.] Paid salaries, \$38, and freight and drayage for the week. [Consignment No. 7, \$1.90; consignment No. 8, \$1.62.]

July 31. Bought of W. S. Reed & Co., Wriglington, @ 2/30, 670 lbs. dairy butter @ 16¢. Received account sales from William McDonald and net proceeds of shipment in cash, \$52.40. Sold from consignment No. 8, @ 1/30, to Robert E. Thompson, Maplewood, 250 lbs. cheese @ 8½¢. [H. R. R.] Rendered account sales to C. G. Griffith. Proceeds to his credit. [Credit Griffith in the general column of the C. B.] Received from Judson H. White, Hallsville, per E. R. R., to be sold on his account, 300 doz. eggs. Sold James W. Miller, Tilton, @ 1/30, 1500 lbs. extra fowl @ 15¢ (consignment No. 7). [Shipped by P. R. R.] Sold Stephen A. Harrison for cash, 1000 lbs. extra fowl @ 15¢ (consignment No. 7). [Delivered.] Rendered account sales to W. S. Reed & Co. and remitted proceeds by check. Paid rent for the month, \$40. Paid salaries, \$38. Rendered account sales to Leroy C. Chandler. Proceeds to his credit.

The pupil should now complete the entries for the month. The Cash Book should receive final entries and be balanced, the sales blanks should be properly filed, the Invoice Register and Sales Book should be closed, etc.

The following pages contain portions of the Receiving Book, a portion of the Consignment Book, several sales slips properly filled, an Account Sales, the last week of the Sales Book properly closed, the first two weeks of the Cash Book closed as it should be at the end of the month, a few accounts from the Sales Ledger, a few accounts from the General Ledger, and the Trial Balance for July 31.

REMARKS.

The Sales Book and Collection Register may be combined in one.

If there were many shipments, it would be better to open a separate account in the General Ledger to represent them. In this case the shipment column of the Sales Book would be footed and posted, and a separate set of money columns would be opened for shipments in the Cash Book.

The pupil would do well to reserve one page of his General Ledger for the shipments.

The check marks in the Consignment Book are made by the book-keeper in ascertaining how much of a consignment has been sold.

RECEIVING BOOK.

July 3, 1891.

Lot No.	C. F.		Charges.
1	175	Leroy C. Chandler, 50 doz. Eggs 356 lbs. Spring Chicken 200 lbs. Fowl	Zanes Falls
2	175	Charles G. Griffith, 687 lbs. Sage Cheese	St. Cloud
3	175	A. P. Hatch, 8 tubs Creamery Butter 26 15 23 17 15 29 19 16 160 lbs. 78 51 31	New Chatham

FORM OF ACCOUNT SALES.

H J. ALLEN & CO., Commission Merchants.

Account Sales of *Butter* received
July 11th, 1891 for *E. A. A.* and sold
by order and for account of *W. B. Rich* No. *5*

Date.	Marks.	Quantity.	SALES.				CHARGES.		
July 18	R	516	lbs. Butter	19	98	04	Freight and Cartage	2	45
							Storage		
							Insurance		
							Commission, 5%	4	90
							1% for Cash		98
							Net Proceeds	89	71
					98	04		98	04

CONSIGNMENT BOOK.

LOT No. 1.

LEROY C. CHANDLER, *Zanes Falls.*

1891			1891			
July 3	50 [✓] doz. Eggs		July 3	200 [✓] lbs. Com. Fowl		
	356 [✓] lbs. Sp. Chicken			@ 12¢	S.	24
	200 [✓] lbs. Fowl			50 [✓] doz. Eggs @ 22¢	S.	11
	Freight	3 62		300 [✓] lbs. Sp. Chicken		
	Commission	5 31		@ 20¢	S.	60
31	Leroy C. Chandler	97 27	11	56 [✓] lbs. Sp. Chicken		
				@ 20¢	C.	11 20
		106 20				106 20

Why is no "discount for cash" charged on this consignment?

LOT No. 2.

CHAS. G. GRIFFITH, *St. Cloud.*

1891			1891			
July 3	687 [✓] lbs. Sage Cheese		July 3	500 [✓] lbs. @ 8½¢	C.	42 50
	Freight and trucking	1 75	11	187 [✓] lbs. @ 9¢	C.	16 83
11	Discount .59					
	Commission 2.97	3 56				
	Cash	54 02				
		59 33				59 33

LOT No. 3.

A. P. HATCH, *New Chatham.*

1891			1891			
July 3	160 lbs. Butter		July 11	160 lbs. @ 22¢	S.	35 20
	Northern extra					
	26 [✓] 17 [✓]			26 [✓] 17 [✓]		
	23 [✓] 19 [✓]			23 [✓] 19 [✓]		
	29 [✓] 15 [✓]			29 [✓] 15 [✓]		
	15 [✓] 16 [✓]			15 [✓] 16 [✓]		
	93 67			93 67		
	Freight and trucking	1 95				
11	Discount .35					
	Commission 1.76	2 11				
	Cash	31 14				
		35 20				35 20

SALES SLIPS.

Date. 7/3/91		H. J. ALLEN & CO.				Series B. No. 1.	
Terms. 1/30		SOLD TO <i>Bickford & Jordan</i>				Sales folio.	
Sold by <i>Gibbs</i>		<i>Great Park</i>				Cash received.	
		<i>Shipped by</i> _____ <i>Delivered</i> _____				\$ _____	
Lot No.	Ck.			Conspts.		Mdse.	
	✓	<i>5 tubs Butter, 31, 26, 28, 36, 29 150 lbs. @ 19¢</i>		<i>28 50</i>		<i>28 50</i>	

Date. 7/3/91		H. J. ALLEN & CO.				Series B. No. 3.	
Terms.		SOLD TO <i>Shipment to Henry M. Bright</i>				Sales folio.	
Sold by <i>H. J. A.</i>		<i>Kensington</i>				Cash received.	
		<i>Shipped by</i> _____ <i>M. C. R. R.</i> _____				\$ _____	
Lot No.	Ck.			Conspts.		Mdse.	
	✓	<i>678 lbs. Butter @ 18¢</i>		<i>122 04</i>		<i>122 04</i>	

Date. 7/18/91		H. J. ALLEN & CO.				Series A. No. 109.	
Terms. <i>Cash</i>		SOLD TO <i>Hall P. Johnson</i>				Sales folio.	
Sold by <i>Jones</i>		<i>Jonestown</i>				Cash received.	
		<i>Shipped by</i> _____ <i>Merchants Despatch</i> _____				\$ <i>102 67</i>	
Lot No.	Ck.			Conspts.		Mdse.	
<i>5</i>	✓	<i>300 lbs Butter @ 22¢</i>		<i>66</i>		<i>66</i>	
	✓	<i>193 " " @ 19¢</i>		<i>36 67</i>		<i>36 67</i>	
		Totals		<i>102 67</i>		<i>36 67 66</i>	

GENERAL LEDGER.

MERCHANDISE.

1891 July 31	C.	315	31	1891 July 31	C.	309	16
	I.	413			S.	629	85

CASH.

1891 July 31		1159	31	1891		1591	93
-----------------	--	------	----	------	--	------	----

LOSS AND GAIN.

1891 July 31	Shipment # 5	5	85	1891 July 11	Shipment # 1	L.	30
					Shipment # 2	L.	14 17
					Shipment # 3	L.	20 45

SALES LEDGER ACCOUNTS.

1891 July 31	S.	703	56	1891 July 31	C.	60
					I.	57

No. 5.

SHIPMENT TO W. McDONALD.

1891 July 25	Mdse.	57		1891 July 31	Cash	52	40
	Cash	1	25		L. and G.	5	85
		58	25			58	25

CONSIGNMENTS.

1891 July 3	Cash	756	12	1891 July 31	Cash	324	95
					Mdse.	461	25
					S.		

SALES BOOK.

July, 1891.

	L. F.	Consgt. No.		Shipments.	Sales Ledger.	
July 25			Amounts forward		379	81
			J. W. Miller, Tilton			
			250 lbs. Butter @ 22¢		55	
25	182	6	C. E. Welch, Fredonia		22	50
			900 lbs. Cheese @ 2½¢			
25	177		Shipment to W. McDonald	57		
			300 doz. Eggs @ 19¢			
31		8	Robt. E. Thompson, Maplewood		21	25
			250 lbs. Cheese @ 8½¢			
31		7	Jas. W. Miller, Tilton		225	
			1500 lbs. Fowl @ 15¢			
	177		Merchandise, Cr.			
	177		Consignments, Cr.			
	177		Sales Ledger Accounts, Dr.		703	56

COLLECTION REGISTER.

Remarks.	No.	Payee.	Date.	Amount.	
1		Bickford & Jordan, Great Park	July 3	28	50
2		C. H. Swain, Sandown		60	
3		Chas. E. Welch, Fredonia	11	35	20
4		H. M. Bright, Kensington		136	21
5		Wm. McDonald, Antrim	18	61	37
6		Robert E. Thompson, Maplewood		49	53
7		J. H. Kirkwood, Shawmut		9	
8		J. W. Miller, Tilton	25	55	
9		C. E. Welch, Fredonia		22	50
10		Robt. E. Thompson, Maplewood	31	21	25
11		J. W. Miller, Tilton		225	

CASH RECEIVED.

		Mdse.	Consqts.	Sales Ledger.	Commission.	General.
July 3	Balance					497 02
	✓ Mdse. Sales	224				
	✓ Consqts. "		66 50			
11	✓ Commis. Consqt. #2				3 56	
	✓ " " #3				2 11	
	* Ship't # 1, Proceeds					11 30
	" # 2 "					136 21
182	C. H. Swain			60		
	✓ Consqts. Sales		28 03			
	✓ Sundries					147 51
177	Mdse.	224				224
177	Consqts.		94 53			94 53
177	Sales Ledger Acc'ts			60		60
	Commission				5 67	5 67
177	Cash, Dr.					531 71
	Balance (July 3)					497 02
						1028 73
July 18	Balance					611 07

INVOICE REGISTER.

L. F.	No.	Payee.	Date.	General.	Sales.
	1	Samuel J. Weed, Ansonia	July 3	208	
	2	Leroy C. Chandler, Zanes Falls	11	40 80	
182	3	C. H. Swain, Sandown	25		57
	4	W. S. Reed & Co., Wrightington	31	107 20	
✓	✓	Sundries		356	
177	✓	Sales Ledger Accounts		57	57
177	✓	Mdse., Dr.		413	

CASH PAID OUT.

			Mdse.		Consgts.		Expense.		General.	
July 3	✓	Mdse.	J. H. White	50	49					
	✓	Mdse.	Freight, etc.	3	15					
	✓	Expense	Ledger					4	50	
	✓	Expense	Salaries					38		
	✓	Consgts.	Freight, etc.			10	22			
11	✓	Mdse.	S. J. Weed	14	25					681 16
	✓	Expense	New Sign					25		
	✓	Consgt. # 2	Proceeds			57	58			
	✓	Consgt. # 3	Proceeds			33	25			
	✓	Mdse.	Ship't # 2	136	21					
	✓	Consgt.	Freight, etc.			2	45			
	✓	Mdse.	Freight, etc.	3	36					
	✓	Expense	Salaries					38		
	✓	Mdse.	Disc't C. H. S.	1	20					
	✓	Sundries								000 00
669		Mdse.		208	66					208 66
666		Consgts.				103	50			103 50
666		Expense						105	50	105 50
666		Cash, Cr.								417 66
		Balance								611 07
									1028	73

INVOICE REGISTER.

Terms.	When Due.												Discount.	Cash.	Paid.
	J.	P.	M.	A.	M.	J.	J.	A.	S.	O.	N.	D.			
2/30								2							
2/30								10							
2/30								24							
2/30								30							

SALES LEDGER.

BICKFORD & JORDAN, *Great Park.*

1891									
July 3	Mdse.		28	50					

C. H. SWAIN, *Sandown.*

1891				1891					
July 3	Mdse.		60	July 11	Cash		180	60	
				25	I.			57	

C. E. WELCH, *Fredonia.*

1891									
July 11	Mdse.		35	20					
25	Mdse.	178	22	50					

TRIAL BALANCE.

July 31, 1891.

	Expense		259	50					
	Loss and Gain					29	07		
	Leroy C. Chandler					138	07		
	W. S. Reed & Co.					107	20		
	Commission					44			
	Shipment to Tibbals		114	25					
	C. G. Griffith					18	57		
	H. J. Allen		50						
177	Consignments					30	08		
177	Merchandise					210	70		
177	Cash					432	62		
177	Sales Ledger Accounts		586	56					
			1010	31		1010	31		

QUESTIONS.

What kind of business is represented in this chapter? What is a commission merchant? a consignment? a shipment? consignor? shipper? consignee? What books are used in this set? For what is the Receiving Book used? the Consignment Book? From what are its records obtained? What are made from its records? What is said of the form of the Cash Book? Since no Journal is used, what will take its place? From what are the records of the Sales Book obtained? To what are its items posted? its footings? Describe its form as exhibited on page 178. What accounts are placed in the Sales Ledger? in the General Ledger? What is done with consignments when they are received? What is the object of marking them? How often is the Receiving Book passed to the office? For what purpose? Describe the sales slip. How are the sales slips bound? How are they numbered? What is the object of numbering them? If the goods sold are to be shipped, what is done with the sales slips? What does the shipping clerk's check signify? Which set of money columns does the salesman fill out? Who fills out the other two? Why does the book-keeper separate the slips for cash sales from the others? (ANS. Because it is necessary for him to charge the credit sales to purchasers.) What entry does he make from the cash slips? from the credit slips? What book may be omitted? In this case what takes its place? What other business beside the commission business is recorded in this set? How are shipments treated? What is done with shipment accounts when they are settled? With what is merchandise bought by the firm on credit compared? What entry is made in the books? Describe the Invoice Register. By what other name is it known? What is said of cash purchases? What is omitted from the memoranda of this set? Of what do the records consist? Describe the Collection Register on page 178. What is its purpose? When and why is a charge of "1 % for cash" made against a consignment? Should this charge be made when the proceeds are carried to the consignor's credit? when the cash is not sent promptly on the sale of the goods? What records should be made by the pupil in this set? What rate of commission is charged? What are the usual terms of sale? To what are freight and drayage charged? On what principle? To what are the usual discounts charged? With what is the "1 % for cash" entered? Why? To what might it be credited? (ANS. *Merchandise, or consignments, or discount, or allowances.*) What is said of the equated time? What State may the pupil use in the records of this set? What entries are made at the close of every day? How is the Cash Book proved? How is the daily balance entered? (Pencil footings are made in all the columns to prevent the necessity of adding from the beginning every day.) How often is the Cash Book balanced? It is common for teamsters to pay freight bills on goods which they carry from the wharfs and railroad stations, collecting from the customers weekly or monthly. When freight and cartage bills are thus received and paid, how often should they be entered? (The receipted bills in this case may form the memorandum from which the book-keeper writes up his Cash Book and Consignment Book.) To what two columns of the Cash Book are the freight and cartage changes carried? What two books may be combined in one? If there were many shipments, what changes in the form of the books would be wise? To what account would the footing of the shipment columns in the Sales Book be posted? To which side? To what account would the footing of the shipment column of the Cash Book be posted? To which side? On which side of the Cash Book would the shipment column be placed? Describe the Receiving Book; the Consignment Book; the Sales Book. How is the Sales Book closed at the end of the month? How often should the items be posted to the Sales Ledger? How is the Purchase Book posted and closed?

CHAPTER XV.

MANUFACTURING.

We illustrate in this set a series of forms adapted to the use of shoe manufacturers. Every kind of manufacturing requires the use of books specially adapted to its work for memoranda connected with the business, and the usual books for recording purchases, sales, and expenses. Strictly speaking, these last books include the whole work of the book-keeper, for the memorandum books are kept by the foremen and others as records of the kind and amount of work required and performed. It is thought best, however, in order to make the business represented as vivid as possible in the student's mind, to give a general description of the business and of the several books required.

In order to fix a price for his goods, the manufacturer may use a

CALCULATION BOOK.

In this he records the cost of stock for all parts of a shoe, and of the labor required to make it in such numbers as he is likely to produce. To this cost he adds a proper part of the interest on his investment, the deterioration of his property, and the other necessary expenses and losses connected with the business. He thus ascertains as nearly as possible the net cost of the several kinds which he makes. He then adds a "margin" of profit, and so fixes the price at which he can sell.

When orders are received they must be recorded in some convenient form. For this record an

ORDER BOOK

is used. This book contains a full description of every shoe ordered, whether it is precisely like the sample from which it was ordered, or whether, as is quite likely, it is to differ in some particulars from the sample. It is often found most convenient to devote a separate page to each customer, and to index the book like a Ledger. Its form may be as follows:—

C. H. BROWN.

				Oct. 10, 189—.			
				<i>Am. Kid Butt. Lap. Box. No. 9 Pat. tip.</i>			
				<i>Welt. Opera, 6/8, No. 2 B. E. Red Mo. Finish</i>			
				<i>18 sole Brown Top Stay</i>			
				<i>Yellow Stitch No Stay Blk. Fly lining</i>		<i>xy</i>	<i>no</i>
916	120	D		10/6 10/5½ 20/5 20/4½ 20/4 20/3½ 10/3 10/2½			
917	120	C		2½ — 6			
918	120	A		2½ — 6	<i>Sold by C. D. C.</i>		
				Oct. 15.			
				<i>French Kid Butt. S. S., 4/8 Heel B. E. G. & W.</i>			
				<i>24 F. box Olive No Stay</i>		<i>xy</i>	<i>zo</i>
919	110	E		20/5 10/4½ 10/4 30/3½ 40/2½			
920	90	D		10/8 10/7½ 10/6 10/5½ 20/5 20/4 10/3			
921	50	C		20/6 20/4 10/2½	<i>Sold by J. B. T.</i>		

The first column gives the "lot number." This is the number by which the lot will be known by all who are to deal with it during the process of manufacture. As will be seen, there may be

several lots for one order. The second column records the number of pairs in each lot. The third column shows the width of the last. The fourth column gives a full description of the shoe, and the numbers and sizes required to fill the order. For example, the first order was given by Mr. C. H. Brown to a salesman whose initials are C. D. C. The shoes were to be made of American kid, with lap seam, box toe, etc. There were to be 120 D's, 120 C's, and 120 A's. Of the D's, 10 pairs were to be made on No. 6 lasts, 10 on No. 5½, 20 on No. 5, etc. Of the C's and A's the sizes were to run from 2½ to 6; and as no numbers are given, the same are to be used as in the line above. The price is entered in cipher at the right. When an order is given for shoes that are precisely the same as some preceding number, the order is not entered in full, but is given in an abbreviated form, with reference to the number of the order of which it is the duplicate. This saves the labor of entering a full description more than once.

From the Order Book the directions needed by the cutters are copied into the

CUTTING BOOK.

This may have the following form:—

Oct. 10, 189-.

¹⁸ Welt	916	120	D. Butt. Am. Kid. Tap. Box. No. 9 Pat. tip. 10/6 10/5½ 20/5 20/4½ 20/4 20/3½ 10/3 10/2½ 6/8 × L. No. 2 B. E. Red Mo. Finish	
¹⁸ Welt	917	120	C. 10/6 10/5 10/2 20/5 20/4½ 20/4 20/3½ 10/3 10/2½	
¹⁸ Welt	918	120	A. 10/6 10/5 20/5½ 20/5 20/4½ 20/4 20/3½ 10/3 10/2½ Opera. Wide stay. For C. H. Brown.	
²⁴ Flex	919	110	E. Butt. French Kid. 20/5 10/4½ 10/4 30/3½ 40/2½ 4/8 Heel B. E. G. & W.	
²⁴ Flex	920	90	D. 10/8 10/7½ 10/6 10/5½ 20/5 20/4 10/5	
²⁴ Flex	921	50	C. 20/6 20/4 10/2½	
²⁴ Flex	922	20	B. 10/4 10/3 Olive. No stay. For C. H. Brown.	

The cutter receives with every lot a "tag," made from the Order Book, with directions for all through whose hands the shoe passes in making. This tag is never to leave the stock until it is converted into shoes, and the shoes are ready to be shipped. It may have the following form:—

328		JONES BROTHERS & CO.	
No.	916	Prs.	120
Quality	1st	Width	B.
Half Lining		Yes	№
Last	B.		
	D. Butt. Am. Kid		
	Tap Kid Box		
	No. 9 Pat. tip		
	Welt.		
Top	Brown	Vamp	
Quarter	Lap		
Button Holes	Worked		
Stay		Yes	Wide №
	10 10 20 20 20 10 10		
8	7½	7	6½ 6 5½ 5 4½ 4 3½ 3 2½ 2
2	1½	1	13½ 13 12½ 12 11½ 11
Laster	No. 101 Opera		
Trimmer	Yellow Stitch		
Setter			
Edge	No. 7 iron sq. edge		
Heel	5/8 Straight		
Bottom Finish	Black and Heel		
Ordered by	C. H. Brown		

The Sales Ledger contains the accounts of customers; the Purchase Ledger contains accounts of creditors; and the General Ledger contains all other accounts. When parties have an open account with the firm, both buying of the firm and selling to them, it is of no consequence whether their accounts are put in the Purchase Ledger or in the Sales Ledger; but, to secure uniformity, the pupil will put all such accounts in the Purchase Ledger.

Three special columns are repeated in all books of original entry, — “Sales,” “Purchase,” and “General.” These are abbreviations for Sales Ledger Accounts, Purchase Ledger Accounts, and General Ledger Accounts. Put every amount that has not a special column of its own in the special column representing the Ledger to which it is to be posted. A little study of the forms given will show the methods by which this work is done.

No Cash Account is kept.

The Trial Balance is taken by differences.

The Sales Ledger Account in the General Ledger represents the value of the accounts in the Sales Ledger, and the Purchase Ledger Account represents the value of the accounts in the Purchase Ledger. By uniting the balances of the accounts in either of these books, and comparing its value with the balance of its account, we prove the book, and determine in what Ledger an error must be sought for when the Proof Sheet does not balance.

Allowances for defective and returned goods are charged to merchandise. Allowances for interest, discount, and prompt payment of bills are charged to discount.

All material that enters into the construction of shoes is charged to Merchandise, material that is destroyed in using is charged to Expense. Some articles, like wax and blacking, might be charged to either with equal propriety.

The pupil will notice that the discounts are set on the same side of the Cash Book as the face of the bills, while their sum is carried to the opposite side. This method has a mechanical advantage.

Jan. 2, 1892.

Edward C. Jones, Charles A. Jones, and Joseph T. Bennett buy the boot and shoe business of Caleb A. Perry, deceased, and are to carry it on under the firm name of Jones Brothers & Co. Edward C. Jones puts in \$25,000; Charles A. Jones puts in \$15,000; and Joseph T. Bennett puts in \$15,000. They pay \$20,000 for the factory; \$15,000 for machinery; \$5000 for manufactured goods on hand; and \$5000 for leather and unmanufactured stock. They take the following notes and accounts at their face value: —

Note of Russell, Brown & Co., Chicago, Ill., dated Oct. 1, 1891, for \$1550.50, due three months after date; note of Henry J. Jordan, Albany, N.Y., for \$350, dated Nov. 10, 1891, due three months from date; account of Ball & Co., New York, for \$560; account of E. C. Bailey, Baltimore, Md., for \$475.70; account of Munroe & Co., Chicago, Ill., \$473.23; account of D. E. Ellis, St. Louis, Mo., \$354.50; account of H. K. Smith & Co., Minneapolis, Minn., \$950.72.

The first three accounts are due Jan. 16, 1892, net. The fourth is for goods sold Dec. 1, 1891, 5/10, 4/30, net 60. The fifth is for three invoices, — the first \$384.82, the second for \$390.40, and the third for \$175.50, — dated Dec. 31, 1891, all on the same terms as the preceding.

The firm assumes the payment of the following debts: —

Note of Caleb A. Perry, favor of Hulburt & Blake, for \$1000, payable Jan. 16, 1892, at the Manufacturers' National Bank, Boston. Accounts as follows: Hamilton, Martin & Co., New York, \$750, due Feb. 27, 1892; H. B. Endicott & Co., Boston, \$700, due Jan. 30, 1892; wages of help at factory \$1000, due Jan. 2, 1892; royalty on shoe machinery for month of December, 1891, due Jan. 15, 1892, \$75. The difference in value between the notes and accounts payable, and the notes and accounts receivable, they pay in cash.

It is agreed that each partner is to be allowed five per cent interest on his investment, and forty dollars per week as salary. Losses and gains are to be divided in the ratio of the investments.

Mr. Edward C. Jones does the buying, and has charge of the office. Mr. Charles A. Jones has

charge of the selling, meeting customers regularly in New York and Boston. He is assisted by Mr. Ralph C. Hanson, a traveling salesman. Mr. Bennett has charge of the factory, and is responsible for the manufacturing.

Goods are sold at a uniform rate of 5/10, 4/30, net 60 days. In some instances bills are "dated ahead," that is, at a time subsequent to the date of shipment. This practice is common, but is not to be commended.

As in previous exercises we shall give representative transactions as occurring on successive Saturdays, it being understood that only a small part of the business can be shown.

The following goods, previously ordered, are shipped and billed. Wm. H. Riding & Co., New Orleans, 240 prs. men's calf balmorals @ \$1.25, 120 prs. men's congress @ \$1, 144 prs. ladies' French kid lace A, B, C, @ \$3.50, 36 prs. Suede slippers, opera, @ \$3. Paul C. Homans, Atlanta, Ga., 36 prs. children's button @ \$1.75, 48 prs. American ties @ \$1.05, 240 prs. men's buff balmorals @ 95¢. Henry C. Bliss, Hartford, Conn., 180 prs. kid button @ \$3, 120 prs. kid turned C. S. @ \$3.10. Bought, on note at three months, of Hulburt & Blake, Peabody, Mass., invoice of sole leather, \$596.27; of Hamilton, Martin & Co., at 5/30, 10 doz. napa leather @ \$7 per dozen; of Frank O. Ellis & Co., for cash, 20 M. eyelets @ 7¢; of Hall & Cutler, for cash, 3 gallons glue @ \$1.50; of H. B. Endicott & Co., Boston, at 5/30, 20 cases inner soles @ \$1.75 per case. Received the following orders: Ball & Co., New York, 120 prs. boy's buff button @ 75¢; 240 prs. men's balmorals @ 92¢; 192 prs. Oxford ties @ \$2.10; 60 prs. French kid button C. S. @ \$3.62½. Of Munroe & Co., Chicago, 72 prs. boy's calf button @ \$1.35; 240 prs. kid lace @ \$3; 240 prs. kid lace @ \$2.95. Of Atwood & Randall, Worcester, 144 prs. children's button @ \$1.75; 180 prs. Suede slippers @ \$3. Paid for labor during the week, \$1000; for scrubbing office floor, \$1; for stamps, \$5; for bill-heads, \$10; for letter-heads and envelopes, \$15. Ordered, for net cash, one set Goodyear machines, \$650. Russell, Brown & Co.'s note was paid in full.

Jan. 9, 1892.

Sold from stock on hand, to Henry J. Jordan, Albany, 240 prs. men's balmorals @ 92¢; 240 prs. kid lace @ \$3.50. Filled and shipped Munroe & Co.'s order of Jan. 2. Sold Jordan & Whitcher, Poughkeepsie, 120 prs. Suede slippers @ \$3; 360 prs. kid turned C. S. @ \$3; 300 prs. French kid button @ \$3.75; 24 prs. children's button @ \$1.75. Sold Russell, Brown & Co., at 6/10, 360 prs. kid lace opera @ \$3.75. Filled Ball & Co.'s order of Jan. 2. Paid Hamilton, Martin & Co.'s bill due Feb. 27, less interest @ 7%. Riding & Co. pay their bill of Jan. 2, less discount. Bought of Quincy A. Towns, New York, at 5/30, 300 6/8 heels @ 7¢; 1000 5/8 heels @ 5¢; 600 4/8 heels @ 4¢. Bought of F. K. Piper, Boston, at 5/30, 150 yds. drill @ 11¢; 200 yds. duck @ 10¢; 50 yds. cloth @ \$2. Bought of Atherton & Thompson, Albany, at 5/30, 6/10, 100 gross laces @ 75¢ per gross; 30 gross buttons @ \$1.75 per gross. Bought of the Russell Counter Co., Lynn, Mass., at 5/30, 1800 prs. grain leather counters @ 5¢. Paid for labor during the week, \$962, and the members of the firm drew their salaries. Paid premium for insurance for one year from Jan. 2: \$12,000 on building at \$1.65 per \$100; \$15,000 on stock at \$1.85 per \$100. The set of Goodyear machinery arrived and was set up, and the bill was paid. Paid for repairs on machinery [Expense], \$3.95. Received the following orders: Ball & Co., 72 prs. Oxford ties @ \$2.10; 48 prs. children's button @ \$1.75. E. C. Bailey, 240 prs. kid turned C. S. @ \$2.50; 48 prs. children's lace @ \$1.25.

Jan. 16, 1892.

Shipped order of Atwood & Randall of Jan. 2, and order of E. C. Bailey of Jan. 9. Sold Wm. H. Riding & Co., on their note at three months from Feb. 1, 360 prs. French kid lace opera @ \$3.37½. Bought of D. N. Kemp & Co., at 5/30, bill of patent leather tips, \$87.50; of Hulburt & Blake, at 10/30, net five months, invoice of sole leather, \$1046.25; of Hamilton, Martin & Co., at 5/30, bill of kid, \$1720. Bought of Paul Stevens, for cash, one barrel wax, \$15. Allowed Munroe & Co. \$75 on their bill of Jan. 9, on account of damaged condition of three cases of the goods. Paid Hulburt &

Blake's note, due this day, and royalties. Paid Q. A. Town's and Atherton & Thompson's bills of Jan. 9, less discount. Got Henry J. Jordan's note, due Feb. 10/13, discounted at First National Bank at 5%. [This seems to have been unnecessary.] Ball & Co., E. C. Bailey, and Munroe & Co., paid their bills due this day. Paul C. Homans paid his bill of Jan. 2, and Jordan & Whiteher paid theirs of Jan. 9. Ball & Co. returned 2 prs. Oxford ties, from their purchase of Jan. 9, because of defects in manufacture. Paid for labor, \$1047, and usual salaries. Paid salary and expenses of traveling salesman, two weeks, \$95. Paid traveling expenses of Mr. Charles A. Jones, \$55.62.

Jan. 23, 1892.

Shipped Ball & Co.'s order of Jan. 9. Sold D. E. Ellis 96 prs. men's oil congress, one-half double sole, @ \$1.40. Sold J. H. Cobb & Co., Boston, 300 prs. kid turned C. S. @ \$2.75. Bought of them on 5/30 @ \$2.10, and sold to H. K. Smith & Co. @ \$2.25, 144 prs. men's calf balmorals, welt. Sold Wm. H. Riding & Co. 120 prs. kid lace @ \$3.15. Bought for cash 10 doz. Persians, 800 ft., @ 11½¢ per ft. Bought of F. R. Piper, at 5/30, bill of drill and duck, \$39.40. Bought of W. F. Hill & Co., at 5/30, bill of soles, \$1140.42. Bought of H. B. Endicott & Co., at 1/10, 150 yds. French delaine @ \$2; 200 yds. whipcord @ \$3. Paid truckman for freight and trucking \$19.47. Bought of Goodwin Brothers, New York, at 5/30, 100 prs. iron-bottomed lasts @ \$1.25, 250 tin patterns @ 10¢, 75 prs. wood lasts @ 75¢. Received the following orders: Paul C. Homans, 72 prs. kid turned C. S. @ \$3, 36 prs. children's button @ \$1.75. Henry C. Bliss, 120 prs. Suede slippers @ \$3, 180 prs. kid button opera @ \$2.50. Atwood & Randall, 120 prs. kid lace opera @ \$3. Paid for labor, \$1142, and usual salaries.

Jan. 30, 1892.

Paid H. B. Endicott & Co. their bill due this day, and their bills of Jan. 2 and Jan. 23. D. E. Ellis paid his bill of Dec. 1. H. K. Smith & Co. paid their bills of Dec. 31 and Jan. 23. Henry C. Bliss paid his bill of Jan. 2. Ball & Co. and Wm. H. Riding & Co. paid their bills of Jan. 23. Hulburt & Blake requested us to discount our note held by them at 6%, and we complied. Shipped orders of Paul C. Homans and Atwood & Randall received on Jan. 23. Sold Russell, Brown & Co., on their note at three months, 720 prs. buff balmorals sewed @ 75¢, 240 prs. French kid button @ \$3.75. Bought of J. H. Cobb & Co., at 5/30, 360 prs. grain congress tap sole @ \$1.20. Sold Jordan & Whiteher 120 prs. grain congress @ \$1.37½. Bought of Q. A. Towns, at 5/30, bill of heels, \$121.40; of Atherton & Thompson, at 5/30, bill of laces, buttons, and tacks, \$76.20. Paid Hulburt & Peabody \$500 on %c. Paid freight and trucking, \$26.42. Paid express, \$2.40. Paid for piping and repairs, \$14.46. Paid for labor for the week, \$961, and the usual salaries. Paid traveling salesman's salary and expenses, \$105.40. Paid water bill for year, \$45. Received the following orders: Paul C. Homans, 72 prs. children's button @ \$1.25, 120 prs. kid lace C. S. @ \$2.40. Henry C. Bliss, 120 prs. Suede slippers @ \$2.90, 60 prs. Oxford ties @ \$2. Atwood & Randall, 120 prs. men's buff balmorals @ 96¢. First National Bank allows interest on deposit, \$22.50. Returned to J. H. Cobb & Co. 1 pr. grain congress from their invoice of this day.

Feb. 6, 1892.

Shipped H. C. Bliss's orders of Jan. 23 and Jan. 30. Sold Ball & Co. 120 prs. grain congress @ \$1.35, 240 prs. kid turned opera @ \$3. Bought of D. N. Kemp & Co., @ 1/10, bill of patent leather tips, \$41.31; of Hulburt & Blake, at 5/30, bill of leather, \$192.40; of H. B. Endicott & Co., at 5/30, bill of linings and inner soles, \$296.40. Paid F. K. Piper and Russell Counter Co. their bills of Jan. 9. Munroe & Co., Russell, Brown & Co., and Ball & Co. paid their bills of Jan. 9. P. C. Homans and Atwood & Randall paid their bills of Jan. 30. Got Russell, Brown & Co.'s note of Jan. 30 discounted at First National Bank at 4%. [Was this wise?] Paid freight and trucking, \$26.42. Paid for postage stamps, \$25; for ink, 75¢; for gas bill for January, \$140; for cartons, \$320 [Mdse.]; for cases, \$525 [Mdse.]; for machine knife, 35¢; for blacking, \$2.75; for benzine, \$1; for thread,

35¢. Received the following orders: E. C. Bailey, 240 prs. Suede slippers @ \$3. D. E. Ellis, 120 prs. Oxford ties @ \$2.10, 24 prs. French kid button @ \$3.25. Paid for labor, \$896, and usual salaries.

Feb. 13, 1892.

Paid Kemp & Co.'s bills of Jan. 16 and Feb. 6. Paid balance of Hulburt & Blake's bill of Jan. 16, and Hamilton, Martin & Co.'s bill of same date. Atwood & Randall sent note for three months, with interest at 7%, for face of their account, and we accepted it. E. C. Bailey paid his bill of Jan. 16. Got W. H. Riding & Co.'s note of Jan. 16 discounted at 6% at First National Bank. Henry J. Jordan failed, and we received 25¢ on the dollar for the face of his account. H. C. Bliss paid his bill of Feb. 6. Shipped Paul C. Homans's and Atwood & Randall's orders of Jan. 30, and D. E. Ellis's order of Feb. 6. Sold E. C. Bailey 240 prs. kid lace opera @ \$2.25, 100 prs. straight goat C. S. @ \$2.10, 72 prs. Suede slippers @ \$2.75. Bought of W. F. Hill & Co., at 5/30, bill of soles, counters, and laces, \$142.62. Paid for one Smith shaver, \$165; for one Union edge setter, \$100; for two McKay sewing machines, \$575. Paid for labor, \$1010, and usual salaries. Received the following orders: D. E. Ellis, 360 prs. French kid lace C. S. @ \$3. H. K. Smith & Co., 120 prs. children's button @ \$1.75. Bought of H. B. Endicott & Co., at 5/30, bill of soles, inner soles, and linings, \$892.

Feb. 20, 1892.

Shipped following orders: E. C. Bailey's of Feb. 6, and D. E. Ellis's of Feb. 13. Sold J. H. Cobb & Co. 240 prs. Oxford ties @ \$2.10. Bought of them, at 5/30, 240 prs. men's sewed congress @ \$2.15. Allowed P. C. Homans \$5.25 on defective goods in his last order. Bought of Hulburt & Blake bill of sole leather, at 5/30, for \$1642; of Hamilton, Martin & Co., at 5/30, bill of kid for \$2262. Bought of Goodwin Brothers, for cash, bill of lasts for \$325. Paid F. K. Piper's, W. F. Hill & Co.'s, and Goodwin Brothers' bills of Jan. 23. J. H. Cobb & Co. sent check for balance of bills of Jan. 23. Atwood & Randall, and D. E. Ellis, pay their bills of Feb. 13. Paid freight and drayage, \$36.49. Paid royalties on machines, \$45. Paid for printing, \$25.60. Paid salary and expenses of traveling salesman, for two weeks, \$96; expenses of Mr. Charles A. Jones, \$21; expenses of Mr. Edward C. Jones, \$45. Paid for labor, \$896, and usual salaries. Received the following orders: H. K. Smith & Co., 360 prs. kid lace opera @ \$3, 120 prs. children's goat button @ \$1.20; Wm. H. Riding & Co., 36 prs. Suede slippers @ \$2.87½, 72 prs. kid turned C. S. @ \$3.10.

Feb. 27, 1892.

Shipped order of H. K. Smith & Co. of Feb. 13, and orders of H. K. Smith & Co. and Wm. H. Riding & Co. of Feb. 20. Sold Henry C. Bliss 120 prs. kid button C. S. @ \$3; Atwood & Randall, 240 prs. Oxford ties @ \$2.10. Bought, at 5/30, of Russell Counter Co., bill of counters, \$142; of Q. A. Towns, bill of heels, at 5/30, \$206; of F. K. Piper, at 5/30, bill of duck and drill, \$87.50. Paid J. H. Cobb & Co.'s, Q. A. Towns's, and Atherton & Thompson's bills of Jan. 30. Jordan & Whitcher paid their bill of Jan. 30, and D. E. Ellis paid his of Feb. 20. Paid for repairs on building, \$250 [Expense]; for office chair, \$8.50; for a barrel of flour for paste, \$5 [Mdse.]; for labor, \$1142, and the usual salaries; for freight and trucking, \$14.40; for express, \$2.50; for salary and expenses of traveling salesman, for two weeks, \$87; for expenses of Edward C. Jones, \$21.42.

PURCHASE BOOK.

New York, January, 1892.

Date.	L. F.	Name.	Terms.	Purchase.	Sales.	General.
1892						
Jan. 2	196	Notes Payable (Hulburd & Blake)	3 mo.			596 27
	195	Hamilton, Martin & Co.	5/30	70		
	195	H. B. Endicott & Co.	5/30	35		
9	195	Quincy A. Towns	5/30	95		
		F. K. Piper	5/30	136 50		
		Atherton & Thompson	{ 5/30	127 50		
			6/10			
		Russell Counter Co., Lynn, Mass.	5/30	90		
16		D. N. Kemp & Co.	5/30	87 50		
		Hurlburd & Blake	10/30	1046 25		
	195	Hamilton, Martin & Co.	5/30	1720		
23		J. H. Cobb & Co.	5/30	302 40		
		F. K. Piper	5/30	39 40		
		W. F. Hill & Co., Lynn, Mass.	5/30	1140 42		
	195	H. B. Endicott & Co.	1/10	900		
		Goodwin Bros.	5/30	206 25		
30		J. H. Cobb & Co.	5/30	432		
	195	Q. A. Towns	5/30	121 40		
		Atherton & Thompson	5/30	76 20		
	196	Purchase Ledger	Cr.	6625 82		6625 82
	196	Sales Ledger	Cr.		000 00	000 00
	196	Mdse.	Dr.			7222 09

TRIAL BALANCE.

January.

February.

Edward C. Jones		25000				25000	
Charles A. Jones		15000				15000	
Joseph T. Bennett		15000				15000	
Factory	20000				20000		
Machinery	15650				16815		
Purchase Ledger		4142 12				5944 92	
Sales Ledger	7178 70			5681 85			
Merchandise	845 49					738 93	
Notes Receivable	2655			792			
Expense	5466 22			10739 75			
Discount	221 15			316 09			
Loss and Gain				795 60			
Cash	7125 56			6543 56			
	59142 12	59142 12		61683 85	61683 85		

JOURNAL.

New York City, January, 1892.

Mdse.	Purchase.	Sales.	General.	L. F.	Date.
			1900 50	196 2	Notes Receivable
		560		2	Ball & Co.
		475 70		2	E. C. Bailey
		473 23		2	Munroe & Co.
		354 50		2	D. E. Ellis
		950 72		195 2	H. K. Smith & Co.
					Owed by C. A. B.
					" "
					" "
					" "
					To Balance
75					Allowance for damage
4 20					Mdse. returned
	1 20			30	J. H. Cobb & Co.
79 20	1 20	2814 15			
			2814 15	196 30	Sales
			1 20	196 30	Purchase
			79 20	196 30	Mdse.
			4795 05		Total

CASH BOOK. Cash Received.

Date.	L. F.		Discount.	Sales.	Purchase.	General.	Bank, Dr.	Bank, Cr.
1892								
Jan. 2		Edward C. Jones				25000	50000	20000
		Charles A. Jones				15000		15000
		Joseph T. Bennett				15000		1189
		Notes Receivable				1550	50	10000
16	196	Riding & Co.	51 60	1032				759
		Notes Receivable	1 31			350	2500	95
		Ball & Co.		560				
		E. C. Bailey		475 70				650
		Munroe & Co.		473 23				1000
195		Paul C. Homans	13 66	341 40				
		Jordan & Whiteher	130 35	2607				127 50
30		D. E. Ellis		354 50			4000	
		H. K. Smith & Co.	16 20	1274 72				1635
195		Henry C. Bliss	36 48	912				596
		Ball & Co.	11 76	235 20				500
195		W. H. Riding & Co.	18 90	378				
196		Discount				22 50		
		Interest from 1st Nat'l Bank						
			280 26	8643 75	000 00			
196		Sales Ledger				8643 75		
196		Purchase Ledger				000 00		
196		Discount				36 61		
						65603 36		
		Balance				7125 56		

JOURNAL.

New York City, January, 1892.

	Date.	L. F.	Mdse.	Purchase.	Sales.	General.
# 1 and # 2						
Due C. A. P.						
" "						
" "						
" "						
Notes Payable	2	196				1000
H. B. Endicott & Co.	2	195		700		
Hamilton, Martin & Co.	2	195		750		
Expense	2	196				1075
Cash	2	C. B.				1189 65
Munroe & Co.	16				75	
Ball & Co.	16				4 20	
Mdse. returned			1 20			
			1 20	1450	79 20	
Ledger	30	196				79 20
Ledger	30	196				1450
Mdse.	30	196				1 20
Total						4795 05

CASH BOOK. *Cash Paid Out.*[illegible]

SALES BOOK.

New York, Jan. 16, 1892.

			Sales.	Purchase.	General.
	<i>Forward</i>		9759 90		
	Atwood & Randall, Worcester, Mass.				
	144 prs. Children's Button at \$1.75	252			
	180 prs. Suede Slippers at \$3	540	792		
	"				
	E. C. Bailey, Baltimore				
	240 prs. Kid Turned C. S. at \$2.50	600			
	48 prs. Children's Lace at \$1.25	60	660		
	"				
196	Notes Receivable, Feb. 1, 3 mos.				
	Wm. H. Riding & Co., New Orleans, La.				
	360 prs. French Kid Lace at \$3.37½	1215			1215
	23				
	Ball & Co.				
	72 prs. Oxford Ties at \$2.10	151 20			
	48 prs. Children's Button at \$1.75	84	235 20		
	"				
	D. E. Ellis				
	96 prs. Men's Oil Congress at \$1.40	134 40	134 40		
	"				
	J. H. Cobb & Co., Boston				
	300 prs. Kid Turned C. S. at \$2.75	825		825	
	"				
195	H. K. Smith & Co.				
	144 prs. Men's Bals. at \$2.25	324	324		
	"				
195	Wm. H. Riding & Co.				
	120 prs. Kid Lace at \$3.15	378	378		
	30				
195	Paul C. Homans				
	72 prs Kid Turned C. S. at \$3	216			
	36 prs. Children's Button at \$1.75	63	279		
	"				
	Atwood & Randall				
	120 prs. Kid Lace Op. at \$3	360	360		
	"				
196	Notes Receivable, 3 mos.				
	Russell, Brown & Co.				
	720 prs. Buff Bals. at 75c.	540			
	240 prs. French Kid at \$3.75	900			1440
	"				
	Jordan & Whitcher				
	120 prs. Grain Congress at \$1.37½	165	165		
196	Sales Ledger	<i>Dr.</i>	13087 50		13087 50
196	Purchase Ledger	<i>Dr.</i>		825	825
196	Mdse.	<i>Cr.</i>			16567 50

PORTION OF PURCHASE LEDGER.

H. B. ENDICOTT & Co.

1892					1892			
Jan. 30	C.	193	1635		Jan. 2	J.	193	700
						P.	191	35
					23	P.	191	900
			1635					1635

HAMILTON, MARTIN & Co.

1892					1892			
Jan. 9	C.	193	750		Jan. 2	J.	193	750
						P.	191	70
					16	P.	191	1720

QUINCY A. TOWNS.

1892					1892			
Jan. 16	C.	193	95		Jan. 9	P.	191	95
						P.	191	121 40
					30			

PORTION OF SALES LEDGER.

H. K. SMITH & Co., *Minneapolis.*

1892					1892			
Jan. 2	J.	192	950	72	Jan. 30	C.	192	1274 72
23	S.	194	324					
			1274	72				1274 72

WM. H. RIDING & Co., *New Orleans.*

1892					1892			
Jan. 2	S.	194	1032		Jan. 2	C.	192	1032
23	S.	194	378		30			378

PAUL C. HOMANS.

1892					1892			
Jan. 2	S.	194	341	40	Jan. 16	C.	192	341 40
30	S.	194	279					

PORTION OF GENERAL LEDGER.

MERCHANDISE.

1892					1892				
Jan. 30	J.	192	79	20	Jan. 30	J.	193	1	20
	P.	191	7222	09		S.	194	16567	50
	C.	193	10112	90					

NOTES RECEIVABLE.

1892					1892				
Jan. 2	J.	192	1900	50	Jan. 2	C.	192	1550	50
16	Dated 2/1	S.	194	1215	16	C.	192	350	
30		S.	194	1440					

PURCHASE LEDGER.

1892					1892				
Jan. 30	S.	194	825		Jan. 30	P.	191	6625	82
	J.	192	1	20		J.	193	1450	
	C.	193	3107	50					

NOTES PAYABLE.

1892					1892				
Jan. 16	C.	193	1000		Jan. 2	J.	193	1000	
30	C.	193	596	27		P.	191	596	27

SALES LEDGER.

1892					1892				
Jan. 30	S.	194	13087	50	Jan. 30	J.	192	79	20
	J.	192	2814	15		C.	192	8643	75

EXPENSE.

1892					1892				
Jan. 30	C.	193	6541	22	Jan. 2	J.	193	1075	

DISCOUNT.

1892					1892				
Jan. 30	C.	193	280	26	Jan. 30	C.	192	22	50
					" "	C.	192	36	61

GENERAL LEDGER, 1892.

FEBRUARY, 1892.

JANUARY, 1892.

No.	NAME OF ACCOUNT.	JANUARY, 1892.			FEBRUARY, 1892.		
		Day.	Folio.	Dr.	Day.	Folio.	Cr.
1	Edward C. Jones	1					25000
2	Charles A. Jones						15000
3	Joseph T. Bennett						15000
4	Factory	2	C./193	20000			
5	Machinery	2	C./193	15000			
		9	C./193	650			
6	Merchandise	30	J./192	79	20		
			P./191	7222	09		
			C./193	10112	90		
							1
							16567
							50
7	Notes Receivable	2	J./192	1900	2		
		16	S./194	1215	16		
		30	S./194	1440			
8	Purchase Ledger	30	S./194	825	30		
			J./192	1	20		
			C./193	3107	50		
							82
							1450
9	Sales Ledger	30	S./194	13087	30		
			J./192	2814	15		
							79
							8643
							75
10	Notes Payable	16	C./193	1000	2		
		30	C./193	596			
							1000
							596
11	Expense	30	C./193	6541	2		
							1075
12	Discount	30	C./193	280	30		
							22
							50
							61
13	Loss and Gain						
14	Cash (Balance)	30	C./192	7125			
							7125
							50
							53142
							12
	Forward			92998			92998
				35			35
							4142
							12
							25000
							15000
							15000
							20000
							15650
							845
							49
							2655
							7178
							70
							5466
							22
							221
							15
							7125
							50
							53142
							12
							50142
							12

The Ledger on the preceding page has many points of advantage over the one in common use. It requires little writing, it is economical of paper, it affords the utmost aid in taking balances, and shows at a glance the condition of any account. It has some disadvantages. Its pages are very large, and the title of every account must be entered once a year. The portion presented in the book exhibits its appearance at the beginning of the second month. The complete Ledger is made large enough to allow the work of three months to be shown on every page. By making every second page narrower, four pages with twelve months' records, follow each title. In opening an account, the book-keeper estimates the number of lines to be given to it by the greatest number of items which will probably occur in any one month of the year. The form given is for a General Ledger, and the number of accounts is so small that they occupy only one page. A larger number of pages would require the footings to be carried forward from page to page. This form of Ledger is adapted to a Purchase Ledger or to a Sales Ledger even better than to a General Ledger. Footings and balances of special ledgers are proved, of course, against their accounts in the General Ledger. In practice, much time is saved in ruling, in taking balances, and in finding errors, the footings generally showing where to look for an error. When a General Ledger is kept in this form, no Trial Balance Book or special trial balance is necessary, for the balances carried forward at the beginning of each month, and footed at the bottom of the page, constitute all the trial balance that is necessary. The pupil should make a Purchase Ledger and a Sales Ledger of this form for Exercise 24.

QUESTIONS.

What business is represented in this chapter? What principal books are used? What auxiliary books are used? Describe the auxiliary books? Describe the tag and slip. Describe the principal books. Describe the Ledger on page 197.

CHAPTER XVI.

THE PURPOSE OF THIS CHAPTER.

The pupil who has patiently and thoughtfully mastered the preceding chapters of this book has acquired a good knowledge of the theory and the art of book-keeping. It remains for him to extend his knowledge of its principles by further study, and to add to his proficiency by diligent practice under competent direction. It is the design of this chapter to present to the pupil, by means of accurate rescripts from the books of expert book-keepers and necessary remarks upon them, such information as to principles and forms as a tour of observation among the best counting-rooms would afford him.

THE THREE GREAT EQUATIONS.

Every debit has an equal credit, every credit has an equal debit, and therefore debits and credits are always equal. This principle has been frequently enunciated and illustrated in the foregoing pages, and it would seem not to need further repetition. Yet its effects are so far-reaching, and its applications are so numerous, that it is often called by book-keepers "the whole science of accounts." The pupil should accordingly accustom himself to ask with regard to every entry, "Where do I put the opposite entry?"

The resources and the liabilities of a business are always equal to each other. This follows from the fact that the proprietor is always to be credited with the net worth, or debited with the net insolvency of a business. This second equality is of great use in its application to Balance Sheets and other forms of exhibiting the condition of a business. It also affords a key to the proper amount to be placed to the credit of the proprietor.

The value of the accounts representing the business is always equal to the value of the accounts with the external factors. (See page 92.) The importance of this principle is often overlooked. The external factors represent the proprietor, inasmuch as they all affect his interest in the business. The proprietor's name might be used for Interest, Expense, and all other such titles, or their items might all be entered in the proprietor's account. There are, therefore, two parties with which accounts are kept, the business and the proprietor, and the balances of their accounts must always be equal.

THE PRINCIPAL BOOKS.

In a technical sense, a principal book is a Ledger, or some book whose records are posted directly to the Ledger. In a more specific sense, the principal books are the Ledger, the Cash Book, the Sales Book, the Invoice Book, and the Journal. The Invoice Book records purchases; the Sales Book records sales; the Cash Book records cash transactions; the Journal records other transactions. The Ledger exhibits the results of all transactions.

The Invoice Book has many forms and is called by several different names. Sometimes it is called a Journal; sometimes a Day Book; sometimes a Purchase Book. The last name would seem to be the best. It sometimes includes the invoices, posted upon stubs or blank leaves; it sometimes contains a complete list of all goods bought, with date of purchase, and price. It sometimes contains only a record of purchases that are made "on time," and it sometimes includes both time and cash sales. Its form and its contents are determined by the nature of the business, and by the tastes of the proprietor. Its charges are credited to the parties named, or to Cash, or to Notes Payable, and its footings are debited to Merchandise.

The Sales Book is known by such other names as Journal, Day Book, and Order Book. Sales Book, however, seems to be the most appropriate. It should contain a complete record of all "charge" sales, with prices, terms, manner of shipment, etc. In some kinds of business it should include the same items in regard to all cash sales. Its charges are debited to the parties named, or to Cash, or to Notes Receivable, and its footings are credited to Merchandise.

The Cash Book records all cash paid or received. Its form varies principally in the number of money columns. There may be one set on each side or there may be many. The use of many such columns requires great care on the part of the book-keeper, but it often saves much time and labor in posting.

The Journal is a book whose usefulness decreases in proportion to the degree in which the other books are made "principal" books. It was once common to carry all items to the Journal before posting them. This practice seems nearly to have disappeared. It is still common to make a Journal entry for the footings of other books; as, —

July 31		
Merchandise, Dr.	3946	
To Sundries.		3946
Aug. 1		

Such a record is taken from the footings of the Purchase Book, or from the sum total of the invoices received during the month. Similar entries may include records from the Note Book or the Sales Book. In these cases, the footing of the Ledger for any period will equal the sum of the footing of the Cash Book and the footing of the Journal. Most of the "improved" systems of book-keeping make little or no use of a Journal. Some book-keepers record goods returned in the Journal, in order to have their Purchase Books exhibit the actual amount of goods bought. Most book-keepers would enter the receipt of notes in settlement of accounts in their Journals, but some would put the records in their Cash Books. In all cases *what book shall first record the transaction is of little importance in comparison with the necessity of so representing it as to secure its being posted to the proper accounts.*

When a business is large, it often becomes necessary to divide the accounts among several Ledgers. There are four methods of division: by the alphabet, by classes, by localities, and by a combination of the first two. When accounts are divided alphabetically, they may be separated into as many sections as the number requires, — two and three are common in large concerns. When accounts are divided by classes, they are usually separated into Purchase Ledger accounts, Sales Ledger accounts, and General Ledger accounts. In the first are put accounts with parties of whom the firm buys extensively, and who are usually in its credit; in the second are put the accounts of parties to whom the concern sells, and who are usually in debt to it; in the third are placed all other accounts. In a very large business, the Sales Ledgers and Purchase Ledgers may be divided into several Ledgers by alphabetical sections. In the General Ledger, accounts are opened with the Sales Ledgers and with the Purchase Ledgers, combining the results exhibited by these books, with Merchandise, Expense, Stock, etc.

AUXILIARY BOOKS.

An auxiliary book is, strictly speaking, a book whose records are not posted directly to the Ledger. The commonest auxiliary books are the Blotter, the Day Book, the Memorandum Book, the Note Book (often called Bill Book), the Order Book, and the Receiving Book. Nearly every kind of business requires one or more auxiliary books peculiar to itself. Some of these have been shown. Others will be presented in this chapter. Still others will be learned and devised by the student when he enters upon his work as book-keeper.

THE NUMBER OF ACCOUNTS.

The number of representative accounts which the Ledger shall contain depends almost wholly upon the wishes of the proprietor. He may wish only general results, in which case only a few will be needed. He may wish to know exactly the sources of all losses or gains. In this case many accounts may be needed. Expense is kept under the following sub-divisions in one of the largest clothing houses of the country:—Salaries, Freight, Express, Light, Heat, Drayage, Rent, Insurance, Taxes, Petty Expense, Advertising. Very frequently a business is divided into departments and an account kept with each department. Concerns often have “branch houses,” and open an account with each house, charging it for all it receives, and crediting it with all its returns.

One of the greatest diversities in the methods of different book-keepers exists in the different methods which they use in entering a discount for the payment of goods before payment is technically due. Suppose, for example, goods are bought on September 1, billed “as for” Dec. 1, with terms, “5/30, 6/10.” The understanding is that they must be paid on Jan. 1, at the price entered on the invoice. If paid between Dec. 11 and Jan. 1, a discount of 5% is to be made; if paid between Dec. 1 and Dec. 11, a discount of 6% is to be made. Having the cash on hand the debtor pays the bill Oct. 1, and receives, as discount, 6% of the face of the bill, and interest on the remainder for two months. Some accountants would credit Merchandise with the whole amount; some would credit Interest with the whole amount; some would credit Merchandise with the discount and Interest with the interest; some would open a separate account called Discounts, and credit that with the whole or a part of the allowance; some would carry it to “Allowances” account, with discounts for breakage, imperfect goods, etc. In regard to all these and many other details, the young book-keeper must follow the rule of the office. It is impossible to state all these varieties in a text-book, and if it were possible it would probably be unwise.

PRINCIPLES NOT FORMS.

It is much more important to learn the principles that govern all correct systems of book-keeping than it is to learn any particular form according to which books should be laid out. An intelligent young business man may learn Book-keeping by acquiring the fundamental principles of scientific accounting, and draw up his own forms in accordance with those principles. For this reason, a knowledge of the principles and methods that are used by the best book-keepers in any business will enable any one to vary the forms so as to apply them to any other business. In general, those forms are best which (1) require the least copying, (2) the fewest entries, (3) the least ruling; (4) which require the books of original entry to be posted directly to the Ledger, and (5) in which the journalizing is done by means of ruled columns. (6) The best forms also should facilitate, as much as possible, taking balances and ascertaining losses and gains. If the intelligent book-keeper criticises his forms on these six lines and finds them satisfactory, while they show all the results that the proprietors wish to ascertain, he may be satisfied with his work.

Gould & Cutler,
Incorporated.

69 & 71 Union St., BOSTON, MASS., Dec. 5th, 1891.

Enclosed please find our Check No. 41736 on
Everett NATIONAL BANK for Twenty-four hundred ninety ⁵³/₁₀₀ DOLLARS,
in settlement of invoices Nov. 5, 7, 8, 9, 16, 17th ult.

To Boston Rubber Shoe Co.
Boston.

Yours truly, GOULD & CUTLER, Corp.
Per Hastings

Please acknowledge receipt on blank attached.

Boston Rubber Shoe Co.

November 4

5	784	91
7	437	81
8	42	61
9	100	40
16	480	91
17	643	89
	2490	53

Boston, Dec. 5th, 1891.

Received of Gould & Cutler,
Corp., in settlement as per above
statement,

hundred
Twenty-four ninety ⁵³/₁₀₀ Dollars.

Boston Rubber Shoe Co.

Per W. A. H.

MONTHLY STATEMENT.

L. P. 763

Boston, Dec. 1, 1891.

Mr. A. S. Holmea, Brockton,

To R. SHERBURNE, Dr.

PLATE WAREHOUSE.

OFFICE AND SALESROOM :
20 & 22 Canal Street,
Opp. B. & M. R. R. Depot, Haymarket Sq.
31 to 39 Lancaster Street.

Nov.	To Balance acc't rend.		
	4	To Mdse.	166 34
	8		186 83
	11		150 60
	12		10 92
	"		5 70
	15		118 02
	22		63 29
	23		70 97
	24		21 38
	26		2 83
	29		10 06
Cr.			806 94
15	Cash	250	
24	Mdse. ret.	140	390
			416 94

Dear Sir :— Above is a statement of your account. If
correct, please remit or honor my draft of 10 inst., at
3 days' sight. If otherwise, please advise me by return
mail, and oblige,

Yours respectfully,

R. SHERBURNE.

AN ORDER BLANK WITH STUB. FILLED.

No. *396* New York, *Dec. 15,* 1891.

To *Weeks & Potter*
Boston

5 bbls. pure Alcohol

Shipping Directions:
Fall River St.

NO. *396* NEW YORK, *Dec. 15,* 1891.

This No. MUST be on Bill.

Weeks & Potter, Boston, Mass.

Please ship to SEABURY & JOHNSON, East Orange, N.J.

5 bbls. pure Alcohol

N. B. — Deliver no goods on verbal orders. Send bills where you send the goods. Send statements first of each month to 21 Platt St.

Shipping Directions: SEABURY & JOHNSON.
Fall River Line. Per *A. B. C.*

A REMITTANCE BLANK.

SEABURY PHARMACAL LABORATORIES,
21 Platt Street, New York.

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Enclosed please find our check for \$ _____ for your bill of

amounting to - - - - - \$

Less _____ per cent discount, \$

\$ _____

If not correct, please advise, and oblige

Yours truly,

Seabury & Johnson.

N. B. — We do not want a receipt or acknowledgment of the above. An endorsed check is the best receipt.

A PRICE BOOK.

In some kinds of business it is impossible to charge the same prices to all customers. In such cases some method must be found for recording the prices at which goods are sold to the several customers. A book for this purpose is exhibited below. A page is allowed each customer, and on it are entered the prices at which he receives goods.

JAMES P. MAGOUN.

Led. 36

OIL COLORS.	VARNISHES, JAPANS, OILS, &c.	DRY COLORS.
Moore's List 1's Asstd. 25's	$\frac{1}{2}$ Bbls. 10 gals. less	Bbl. $\frac{1}{2}$ Bbl. less
Umbers	Ex. No. 1 Fur.	Bolted Whiting
Siennas and	Ex. Lt. No. 1 Coach	Gilder's "
Van Brown	No. 1 "	Paris White
Indian Red	Asphaltum	" Green
Rose Pink and	Hard Oil Finish,	English Verm.
Tuscan Red	Crystal	Southern "
Scarlet Verm.	Preservative	Eng. Ven. Red
	Or. Shellac 2.40	Siennas
	White " 3.00	Umbers
	Canned Varnishes	Brandons
Lucas Greens		Slate Paint
		Red Lead and Litharge
LEADS & ZINCS. Asstd. Pails Kegs	Spirits Japan	
Ulster Lead		Calsom Finish
Mass. Lead		
Stand. Lead		
R. S. Zinc	Pure Alcohol 2.10	
	Wood Alcohol	RIES.
	Benzine	Bronze Powders
MIXED PAINTS, &c.	Raw Lin. Oil	Gold Paint
T. G. Paints H. C. Ord'y.	Silver Lt. "	Smalts
Met. Paints 96 95	"	Putty Knives
"Hard" Floor Paints	"	Glazier's Materials
Pure House Colors	Best Bonnet Glue	Paste
Imp. Car. Gloss Paints	" Frozen "	Fillers
" Nat. Stains	Fr. Plate "	
	"	
	LePage's "	Borax Pulv. Lump.
Putty 100 50 25 12 $\frac{1}{2}$ 5		Alum " "
Pure		Pumice stone " "
" (Ab's)	BRUSHES. List	Rotten " " "
Glass.		

INVOICE BOOK.

						Sold by <i>R.M.S.</i> Terms <i>Cash</i>  ADDRESS ALL COMMUNICATIONS TO THE FIRM.  41 WASHINGTON ST. Boston. <i>Sept. 5, 1891.</i> <i>Mass. Bragg Ripley & Co.</i>
						Boston. <i>Sept. 16, 1891</i> <i>Mass. Bragg Ripley and Co.</i>  Factory, East Cambridge. Warerooms, 96 & 98 Washington St., Boston. <i>Oct. 5, 1891</i> A. H. DAVENPORT, Manufacturer of Importer of
						Ray State Carpet and Furniture Co. <i>Boston, Oct. 11, 1891</i> Ray State Carpet and Furniture Co. Ray State Carpet and Furniture Co. <i>Boston, Oct. 15, 1891</i> <i>Mass. Bragg Ripley & Co.</i>  WILLIAM G. HARRIS WILLIAM C. LANGLEY JR. CHARLES M. PEARSON
						Boston, Mass. <i>Oct. 22, 1891</i> <i>Mass. Bragg Ripley & Co.</i> Bought of KEELER & COMPANY, FURNITURE DEALERS, 81-83-91 WASHINGTON AND 18 ELM STREETS. O. P. KEELER O. A. KEELER Wm. F. BACALL R. P. BUZZELL JOHN F. SMALL.
						<i>1 Fancy Rocker</i> <i>2 Library Tables @ \$14.</i> <i>1 Kitchen Table</i> <i>6 50</i> <i>28 00</i> <i>3</i> <i>37 50</i>

SKELETON LEDGER.

Some merchants wish a succinct statement of the volume of business done during each month. The form given below possesses several advantages.

(1) It exhibits an equilibrium, thus indicating the correctness of the book-keeping. (2) By pencil footings it shows the volume of business for the year, and for any term of months. (3) The principal sources of losses and gains are shown in such a way that the net gain or loss may be approximately determined. (4) The condition of the business at any time may be determined by adding to the appropriate columns the various items of the inventory of assets and liabilities at the beginning of the year. (5) The items are readily obtained from the principal ledger accounts.

The pupil should study the form carefully; prove the equality between the sides for each month; explain why this equality exists; calculate the probable net gain or loss for each month, and for the six months; and assuming a certain statement of assets and liabilities for the beginning of the term, compute the net worth of the business at its close. He may then make a similar form for Exercise 21.

Dr. SKELETON LEDGER. (*Left Hand Page.*)

Date.	Losses. (Bad debts, etc.)	Notes and Accounts Pay. (Paid.)	Notes and Accounts Rec. (Incurred.)	Fixtures and Machinery. (Bought.)	Interest. (Paid.)	Expense. (Cost.)	Mdse. (Bought.)	Cash. (Received.)
January	301 42	2159	5208 33	150	39 46	306 41	3009	4041 95
February		2550	4620 50	100	51 50	375 10	2865 25	5612 20
March	301 42	5287 50 9996 50	5068 25 14897 08	66 70 316 70	61 25 152 21	345 58 1097 09	10951 64 16825 89	6256 73 15910 88
April	56 21	2190 50	5391 26	95	55 12	296 78	3921 57	4742 19
May		2766 73	5283 29	125	29 16	215 29	4218 20	4449
June		3448 99	4803 15	225	45 92	244 25	3405 79	4566 32
	357 63	18402 72	30374 78	761 70	282 41	1783 41	28371 45	29668 39

SKELETON LEDGER. (*Right Hand Page.*) *Cr.*

Cash. (Paid.)	Mdse. (Sold.)	Labor. (Receipts.)	Interest. (Received.)	Fixtures and Machinery. (Sold.)	Notes and Accounts Rec. (Paid.)	Notes and Accounts Pay. (Incurred.)	Gains. (Sales Tickets.)	Remarks.
2851 08	6189 70	50	18 21	50	3042 37	2712 79	1096 31	
3447 86	6643 42	76	16 18		2561 42	3429 67	1141 19	
6729 53	7149 63	46 75	16 50		5546 72	8548 52	1207 16	
13028 47	19982 75	172 75	50 89	50	11150 51	14690 98	3444 66	
2995 25	6347 98		16 15		3769 32	3563 72	1101 21	
3351 86	6405 85	65	19 57	10	3231 87	4002 52	1150 07	
4113 43	5759 37	25	17 84	48	3519 26	3256 52	987 21	
23489 01	38495 95	262 75	104 45	108	21670 96	25513 74	6683 15	
								Bought bank- rupt stock.

The following forms are taken from the books of one of the largest retail grocers in New England.

SALES BOOK.

Nov. 20, 1891.

<i>Paid</i>	<i>Rev. E. A. Rollins, 16 Union St.</i>		
	5 lb. Butter	30	1 50
	1 lb. Pilot Bread		10
	1 lb. O. Tea		60
	1 bx. P. & C. Sardines $\frac{1}{4}$ s.		25
			2 45
<i>C. O. D.</i>	<i>S. C. Thompson, 17 Hancock St.</i>		
	1 bbl. Flour		6 50
	1 gal. Molasses		40
	$\frac{1}{2}$ lb. Gr. Cloves		10
	1 bx. Mustard		15
			7 15
<i>Chgd.</i>	<i>O. J. Campbell, 170 Washington St.</i>		
	10 lb. Cut Loaf Sugar		60
	5 lb. Hominy		18
	3 cans Apricots		90
	12 cans Corn		1 65
			3 33

DELIVERY BOOK.

Sold by	Driver.	Art'cls	Flour.	Residence.	C. O. D.	Paid.	Charged.
11/20 Smith	Doe	4		16 Union St.		2 45	
	Lee	4		17 Hancock St.	7 15		
	Cole	4		170 Washington St.			3 33
	"	3		74 Tyler St.	2 63		
	"	2		351 Broadway	1 81		

THE C. O. D. BOOK,

shown below, is an important book where many goods are sold to be paid for on delivery. Its charges are made from the delivery books. As fast as the drivers return the money, it is entered in the Cash Book. The "Paid" column is checked daily from the Cash Book. Missing amounts must be accounted for by the driver.

Date.	Driver.	No.	Street.	Amount.	Paid.
Nov. 20	Smith	17	Hancock St.	7 15	Paid Nov. 20
	Cole	74	Tyler St.	2 63	Paid Nov. 20
		351	Broadway	1 81	Paid Nov. 20
	Bean	113	Essex St.	6 25	Paid Nov. 20
	Long	70	Columbia	6 02	
		140	Salem	14 31	Paid Nov. 20
		14	Fort	60	
		601	Warren	13 00	Paid Nov. 20
		80	Broad	4 61	Paid Nov. 20

SALES SLIPS.

When the salesman makes an entry in his Sales Book, he fills out duplicate sales slips. The upper half is sent by the shipper with the goods to the customer; the lower half goes to the office, where it is compared with the entry in the Sales Book.

Hall, Johnson & Co.
GROCERS,
 2680 to 2692 WASHINGTON ST.

Nov. 20 189/

Name *Rev. E. A. Rollins*

Residence *16 Union St.*

No. Articles *4*

Butter _____

Flour _____

Sold by *Smith*

Paid *2.45*

Charges _____

C. O. D. _____

Nov. 20 189/

Name *Rev. E. A. Rollins*

Residence *16 Union St.*

No. Articles *4*

Butter _____

Flour _____

Sold by *Smith*

Paid *2.45*

Charges _____

C. O. D. _____

Hall, Johnson & Co.
GROCERS,
 2680 to 2692 WASHINGTON ST.

Nov. 20 189/

Name *J. C. Thompson*

Residence *17 Hancock St.*

No. Articles *4*

Butter _____

Flour *1*

Sold by _____

Paid _____

Charges _____

C. O. D. *7.15*

Nov. 20 189/

Name *J. C. Thompson*

Residence *17 Hancock St.*

No. Articles *4*

Butter _____

Flour *1*

Sold by _____

Paid _____

Charges _____

C. O. D. *7.15*

CASH BOOK.

The record below shows the appearance of the C. O. D. items on the debit side of the Cash Book. The check mark indicates that the items have been marked "paid" in the C. O. D. Book.

Nov. 20	Amount brought forward		760	21
	Smith's C. O. D.'s			
✓	17 Hancock St.		7	15
	Cole's C. O. D.'s			
✓	74 Tyler St.	2.63		
✓	351 Broadway	1.81	4	44
	Bean's C. O. D.'s			
✓	113 Essex		6	25
	Long's C. O. D.'s			
✓	140 Salem St.	14.31		
✓	601 Warren	13.00		
✓	80 Broad	4.61		
			31	92

TREASURERS' BOOKS.

The treasurers of societies should keep a careful record of all their receipts and expenditures. When the members of the society are assessed for regular dues, or when they have pledged the payment of money, a Ledger account must be kept with every member.

The following forms are well adapted to the use of treasurers.

When the items are few and easily added, the footings in the Ledger are omitted, but double lines are drawn whenever the account is paid in full. Many treasurers, however, would prefer to foot the columns in the usual way.

Blank receipts for treasurers' use may be provided with stubs and bound in blocks. In this case, the stubs furnish a convenient memorandum from which the Cash Book may be written up.

FORM OF TREASURER'S RECEIPT.

No. 1347.	No. 1347.	Washington, D.C., July 1, 1891.
Date, July 20, 1891	Henry B. Adams,	
Amount, \$45.	To the Twelfth Presbyterian Church, Dr.	
From, H. B. Adams.	For Subscription - - - -	\$30.00
For, Sew Rent and Subscription.	" 5 Seats in Sew No. 91, one month to date,	5.00
Entered, July 20.	" Previous dues - - - -	10.00
	Paid July 20, 1891,	\$45.00
	Henry C. Elder, Treasurer.	

When bills are sent to members and returned with money, the cash should be entered in the Cash Book before the receipted bills are delivered. The posting from the Cash Book to the Ledger should be done promptly. Books, records, and money should be kept in a safe or other secure place.

Treasurers should take receipts for all money paid out by them, and the receipts should be kept as "vouchers" for the correctness of the record.

Treasurers should neither combine the money belonging to different societies, nor keep their own money and other funds together.

When a bank account is kept for society funds, it should be kept in such a way as to show clearly to whom the balance belongs.

TREASURER'S CASH BOOK.

Henry B. Jones, Treasurer,

In Account with The Topsfield Debating Society.

1891				
Jan. 1	To cash received of former treasurer	37	62	
5	By cash paid Henry C. James for blank books			3 65
10	To cash received of Henry Adams for dues	2		
17	To cash received of Paul Parry for dues	1		
18	By cash paid P. B. Smith for rent			5
19	By cash paid Hall & Dobson for printing			3 75
24	To cash received of J. O. Means for dues	2		
	To cash received of H. I. Johnson for dues	1		
26	By cash paid for postage			75
31	To cash received of James Goss for dues	1		
	To cash received of James Goss for subscription	2		
	Balance			33 47
		46	62	46 62
Feb. 1	Balance on hand	33	47	

TREASURER'S LEDGER.

HENRY ADAMS.		Dr.	Cr.
1891			
Jan. 1	To Balance	1	
1	To Dues to Apr. 1	1	
10	By Cash		2
Apr. 1	To Dues to July 1	1	
PAUL PARRY.		Dr.	Cr.
1891			
Jan. 1	To Subscription for 1891	5	
1	To Dues to Apr. 1	1	
17	By Cash		1
Apr. 1	To Dues to July	1	

Dr.

Cash.

LAKE AND OCEAN

Ledger Folio.	Date.		Agents and Conductors.	Sundry Accounts.	Tenants.	Detail Ledger.	General Ledger.	Daily Total and Balance.	Monthly Total.
	1891								
	Sept. 30	Amounts forward	1718216 84	42205 18	13047 07	153430 29	211507 29		2138406 67
		Balance forward						648378 52	
		Acc't, Agents and Conductors	161526 61					161526 61	
		Remittances							
		Acc't, Sundry Accounts		2574 47				2574 47	
463		2673 Jno. C. Scott & Sons	1010.14						
"		2674 " " "	554.78						
366		2904 W. F. Berry, G. F. A.	2.15						
"		2905 " " "	67.50						
703		2738 A. G. Tompkins	910.71						
360		8641 Cent. R.R. of N.J.	15.68						
"		6744 " " "	.53						
"		9413 " " "	1.45						
"		937 " " "	1.80						
"		2914 " " "	1.49						
362		2388 " " "	8.24						
		Acc't, Tenants			1137 00			1137 00	
498		P. Gayton & Co.	56.25						
750		Kittredge & Stevens	25.						
2		J. G. Cooper	208.33						
3		N. J. Kendall	16.67						
5		Frank Wood	50.						
400		Locke & Gale	333.33						
403		American Express Co.	3.						
512		" " "	6.25						
364		A. E. Sager	4.17						
74		R. A. Littlefield	100.						
448		T. J. McDonald	200.						
449		S. K. Dexter	25.						
452		Connor Bros.	3.						
"		J. F. Brennan	5.						
130		M. F. Porter	40.						
257		Geo. Priest	2.08						
36		E. M. Graffam	2.						
361		Annis & Co.	6.25						
584		O. D. Graves	9.						
586		Michael Riley	5.						
424		H. A. Emerson	12.50						
"		" " "	7.50						
34		Sherburne Bros.	16.67						
		Acc't, Car Service				16 77			
45		Cent. R.R. of N.J.	16.77						
283		Acc't, International S.S. Co.				213 90			
		Pass. acc't July							
86		Acc't, Bell's Express				12 86			
		Exp. Fst. Aug.							
141		Acc't, American Express Co.				20275 00		20518 53	
		Exp. Fst. Sept.							
343		Acc't, Income Property					1655 00		
		For dividend due Oct. 1, 1891, on 331 shares stock in Peterboro R.R. at 5 per cent.							
358		Acc't, Interest Received					654 56		
		Am't received as int. on September deposits							
		Blackstone Nat. Bank	125.67						
		Second " "	194.70						
		Maverick " "	334.19						
78		Acc't, American Loan & Trust Co.					170330 00	172639 56	358396 17
		Acc't New Stock							
		Amounts forward	1879743 45	44779 65	14184 07	173948 82	384146 85	1006774 69	2496802 8

RAILROAD, GENERAL OFFICE.

Cash.

Cr.

Date.	Voucher Number.		Bills Audited.	Freight Agents' Advances.	Detail Ledger.	General Ledger.	Daily Total and Balance.	Monthly Total.
1891 Sept. 30								
	18760	Amounts forward	421169 53	151552 02	904073 98	1494438 84		2971234 37
	18589	W. H. Flynn	39					
	18590	Alfred Edwards	2 61					
	18773	" "	1 23					
	18249	O. M. Tibbs	2 45					
	17403	Capt. A. Wiggin	176 41					
	17444	I. Robbins, Jr.	6 25					
	18608	E. G. Kittredge & Co.	50 05					
	17682	F. G. Chandler	102					
	17684	O. Andrews & Co.	2 59					
	17694	Arlington Mills	16 03					
	17739	Collins Bros.	25 12					
	17745	James J. Stanley	45 54					
	17763	H. K. Webster & Co.	10 78					
	17825	Briggs & Allyn Mfg. Co	2 95					
	17853	T. F. Bennett	44					
	17854	City of Lawrence	10					
	17887	Lawrence Lumber Co.	9					
	18128	John C. Scott & Sons	3563 65					
	18228	Willis B. Allen	14					
	18610	Amos Blanchard, Treas.	1986 26					
	18639	Geo. P. Davis	16 67					
	18738	H. L. Rowell	6 25					
	18764	F. A. Kittredge	60					
	18766	Samuel A. Story	223 90					
	18771	John C. Blood	55 25					
	18772	A. Blanchard, Treas.	1223 55					
	17592	A. L. Knight	77 35					
	18601	Chas. Robbin & Co.	3916 62					
	18604	A. E. Ayer	15					
	18613	E. M. Bruce	15					
	18621	L. D. Emerson	50					
	18647	E. W. Hesselton	5					
	18751	H. H. White	10					
	18580	T. M. Cummings	10					
	18583	Oliver Clark	73 30					
	18581	" "	260 95					
	18577	" "	322 60					
	17424	" "	101 55					
	18605	Wm. T. Dorr	9					
	18641	A. J. Carl	50					
	18650	Wm. F. Sinclair	50					
	18743	Chas. T. Lovering	233 33					
	18761	Berlin Mills Co.	73 05					
	18779	The Jackson Co.	150					
	18780	Wesley Goodwin	21 96					
	18776	Harry Johnson	35 20					
	18777	Jos. Wilson	135 30					
	18614	John McCurdy	153 30					
	17438	James Fairgriere	15					
	17594	B. E. Goss	19 50					
	18811	David Sleeper	5 25					
	17334	Emma A. Wiggin	300					
	18638	Union Five Cent Sav. Bank	50					
	18617	The Samuel Hano Co.	3 50					
	18778	J. O. Rogers	12					
		E. O. Gould	12 50				13962 50	
		W. F. O. Regan	140 10				4134 36	
		Acc't, Freight Agents' Advances		4134 36				
	281	W. S. Goodwin Steamers	566 65					
	282	" " Met. S.S. Co.	540 05					
	283	" " M. & M. T. Co.	91 25					
	284	O. Clark Met. S.S. Co.	2936 41					
	285	Acc't, Car Service			1374 70		1374 70	19471 56
		Chic. & Alton Rd.	12 94					
		N.Y. Cen. & Hud. R. R.R.	1361 76					
		Amounts forward	485132 03	155686 38	905448 68	1494438 84	19471 56	2990705 93

RAILROAD, GENERAL OFFICE.

Cash.

Cr.

	Date.	Voucher Number.		Bills Audited.	Freight Agents' Advances.	Detail Ledger.	General Ledger.	Daily Total and Balance.	Monthly Total.
	1891 Sept. 30		Amounts forward	435132.03	155686.38	905448.68	1494438.84	194711.56	2990705.93
204		286	Acc't, Commissions A Lambert, Draft No. 967 21.00			21.00			
16		287	Acc't, Canadian Pacific Ry. Balance Fst. Newport wk. 9/22/'91			11056.66			
186		288	Acc't, Chicago & Alton R.R.			682.00			
238		289	Acc't, Det. Gd. Haven & Mil. Ry.			13.96			
194		290	Acc't, Chic. Mil. & St. Paul Ry.			279.12			
269		291	Acc't, Great Northern Ry. All pass acc'ts July '91			98.88			
479		292	Acc't, U. S. Gov't Transportation Order No. 81963			8.40		12160.02	
		293	Acc't, Northern R.R. Rent Acc't For rent of road, 3 mos. to Oct. 1, 1891 38355.00 Organization Expenses, 3 mos. to Oct. 1, 1891 1250.00				39605.00		
I&D 219 224 234 278 432 440 440 441 441 441		294	Acc't, Interest on Bonded Debt 1893 Bond, Int. due July 1/'91 C. 192.50 " " " " " " R. 87.50 1894 " " " " " " C. 350.00 " " " " " " R. 140.06 1937 " " " " " " 20.00 Eastern R.R. Certificates of In- debtedness, Coupon No. 29 45.00 Ports., Gt. Falls & Con. Rd. Coupon No. 28 33.75 Essex R.R. Coupon No. 6 45.00 " " " " 7 45.00 " " " " 8 45.00 " " " " 9 101.25 " " " " 10 245.25				1350.25		
2		295	Acc't, Dividends B. & M. No. 3, Preferred 1209.00 " " 94, Common 40.00 " " 95, " 40.00 " " 105, " 30.00 " " 106, " 576.00 " " 106, on stock ex- changed since Oct. 27/'90 4.50 B. & M. No. 105, on stock ex- changed since Oct. 27/'90 5.00 Acc't, Essex R.R. Bonds 11 Bonds at \$100 1100.00				1904.50		
63 64 69 70 70 70		296	Acc't, Agents and Conductors Rebates By cash on hand By cash on hand Acc't, Freight Agents' Advances Trans. to D/L Acc't, Bills Audited Acc't, Detail Ledger Acc't, Payments for month Amounts forward	435132.03		155686.38 1073295.08	2462.45 1100.00	46422.20 928720.91 1006774.69 950711.15 950711.15 1540861.04 3049288.15	58582.22

Dr.

CASH. (*Left Hand Page.*)

Date.	NAME.	Folio.	Discount.	General Ledger.	Wholesale Foreign Ledger.	Retail Foreign Ledger.	Retail City Ledger.	Wholesale City Ledger.
	<i>Forward</i>							

Cr.

CASH. (*Right Hand Page.*)

Date.	NAME.	Folio.	Discount.	G. J. Seabury.	General Ledger.	Credit Ledger.	Wholesale Foreign Ledger.	Adv. Benson's.
	<i>Forward</i>							

A STOCK BOOK.

Extract Belladonna.

Date.	RECEIVED FROM.	Quantity.	Price.	Total.	Date.	DELIVERED TO	Quantity.	Remarks.
1891 Nov. 1	Sharp & Dohun	10000	1 50	15000 00	1890 Nov. 30 Dec. 5	Lab. 7 Plaster Dept. Etc.	100 1000	

THE POSSIBILITIES OF SINGLE ENTRY.

While double entry book-keeping has many advantages which single entry does not possess, it is not in universal use among even the largest and most successful business houses.

In many establishments the invoice is the only record kept of merchandise bought. When the goods arrive they are checked off on the invoice, and the invoice is then filed for payment. When it becomes due it is sent with the money to the creditor, and is returned receipted. It is then filed with other receipted bills. When goods are sold, the salesman makes a memorandum of amount, kind, price, and terms on a sales slip. The slip is sent to the shipper, who packs and sends the goods, checking each item as it is packed. The slip then goes to the book-keepers, who make the proper charges in the Ledger. Invoices and statements are made from the records in the Ledger. A simple Cash Book records all cash transactions.

This method possesses simplicity, economy, and practicability; but it fails to show many of the facts which double entry continually exhibits.

COLLECTIONS.

Collections should be made promptly. It is not generally a kindness to a creditor to extend his credit, and it is never a kindness to omit the usual methods of securing prompt payments. The customer who does not pay promptly is not a desirable customer, and it is better to incur the risk of losing his trade, than to incur the risk of losing your dues.

The monthly statements should be promptly and carefully sent. At least once a month the Ledger, or the Tell Tale, should be consulted to see if any accounts are overdue, and immediate steps should be taken to secure the payment of all such.

One of the commonest methods of collecting overdue accounts, especially from dealers, is by means of a draft.

Statements and invoices usually contain notice that drafts will be made after a given date. Written notice of such intention is sometimes sent, and under all circumstances care should be taken to maintain the spirit of the understanding under which the goods were sold, and to avoid needless offence.

The best method of making a draft for collection is to draw it payable to the order of the drawer, and endorse it, "Pay to order of ——— Bank for collection and deposit." This draft is given to your bank, sent to a bank near your creditor, and presented to him. Or you may send it direct to a bank near your creditor. In this case you would omit the words "and deposit"; and, possibly, "for collection." If it is a demand draft and the creditor pays it to your bank, you will be credited with the amount of your draft. If it is a time draft and he accepts it, it will be treated as his note endorsed by you would be treated. If it is not paid or accepted, it will be returned to you.

The drawee is not bound to accept, but he will usually do so to save his credit with the local bank that has it for collection unless there are good and sufficient reasons for refusal; such as, non-arrival of goods, or arrival in damaged condition, or that the goods are not up to the standard of those ordered, etc.

When it becomes desirable to hold the endorsers of a draft responsible for its payment, it may be protested for non-acceptance, and an accepted draft is subject to all the legal processes which belong to a note.

When a draft is returned without attention on the part of the drawee, it is said to be dishonored.

When a draft for collection has been returned dishonored and no good reason is given, some more vigorous measures may be adopted for the purpose of securing payment.

Following is a form for a draft as commonly given for collection : —

FACE.

\$ 35/ ⁴⁶/₁₀₀	Cincinnati, O., Aug. 29, 1891. At sight pay to the order of Henry D. Morgan, three hundred fifty-one and ⁴⁶/₁₀₀ dollars, value received, and charge to the account of Henry D. Morgan. To A. D. Call & Co. Boston, Mass.
--	--

REVERSE.

Pay to the order of the Second National Bank of Cincinnati for col- lection and credit.	Henry D. Morgan.	Pay NATIONAL BANK OF REDEMPTION, or Order for Collection, ⁴⁶/₁₀₀ of SECOND NATIONAL BANK of CINCINNATI. H. P. GOODWIN, Cashier.
--	---	--

A LETTER TO YOUNG BOOK-KEEPERS.

The following letter is a condensed form of the substance of several letters sent to the author by prominent book-keepers in various parts of the country. The authors' names with others appear in the preface.

To the Young Book-keeper: —

1. The most important fact to be kept in mind, not only in starting, but throughout your whole accountant experience, is that your book-keeping is for others to interpret. Don't make blind entries that only yourself will understand. Don't use "short methods" in results that will need your personal explanation. Speed is the last thing to be attained. Accuracy is always first; and, strange though it may seem, there are many who call themselves book-keepers that cannot add a column of dollars and cents, three inches in length, and be sure of the result in twice running over. Be neat, particular, cross all your t's, dot your i's, get in the habit of doing matters right, for right is a habit as much as carelessness.

2. Don't let small matters go "till later." Promptness is an essential to success. Remember that the first of the month is at midnight on the last day of the month, and have your work well in hand.

3. As to forms: Use the forms of your predecessor till you are sure you can do better. When you make a change, let it be after due consideration and with full knowledge of the needs of the business you are recording. You may then proceed by "modern methods." In these methods the Day

Book is obsolete, and no account is kept in the Ledger of either the Cash or the Bank account. The only notice that is taken of the cash as Cash is in the Trial Balance, where the balance is entered on the first of the month in order to prove the Trial Balance.

The system of posting footings into the General Ledger, and requiring the subsidiary Ledgers to prove against the balances shown in the General Ledger, may be carried out in every department of the business. The footings of these columns for the month are not carried into the Journal, but are posted each to its proper Ledger, and the sum of them all to the credit of Merchandise account.

One advantage of the system of journalizing by extra money columns is an immense saving of time in journalizing. Another consists in enabling a book-keeper to prove one Ledger at a time, and saving the necessity of going through all the Ledgers to find an error.

Another advantage of this system, which should not be lost sight of, and which should be a controlling principle in laying out any system of book-keeping, is posting and dealing exclusively with books of original entry, eliminating all intermediate books. It is well known that in Courts of Law a Ledger itself is not conclusive proof of the accuracy of an account, and it is always necessary to go back to the books of original entry, or even to original documents from which these entries are made, and the oftener an account is copied, the more liability there is to error.

4. As to principles: Impress upon your mind that for every debit there must be a credit, and for every credit a debit, and that all accounts with which you deal are to all intents and purposes actual persons. For instance, the cash account to you represents a gentleman by the name of Cash, who owes you for all the money received and turned over to him (Mr. Cash) for safe keeping. In like manner any artificial accounts, as they are called, are always to be considered as persons, creations of the imagination perhaps, but still persons to be addressed and held to a strict accountability, or as persons who will hold the man in business to a strict accountability for moneys due. With these two ideas firmly grounded in your mind you should never experience any difficulty in laying out and managing a set of books, except such difficulties as always arise in every new business in learning the particular methods of business in the business itself.

5. Above all, don't be too ambitious for promotion. You must earn five hundred dollars a year before you get a thousand.

Very truly yours,

QUESTIONS.

What is the purpose of this chapter? What is the first great equality? In what does it find its application? What is it sometimes called? What question should the pupil ask? What is the second great equation? Why is it true? Where does it find application? What is the third great principle? Whom do the external factors represent? What title might be given to these artificial accounts? Explain fully why the value of the accounts with the external factors is equal to the value of the business accounts. What is a principal book? What ones are especially mentioned? What does the Invoice Book record? the Sales Book? the Cash Book? the Journal? the Ledger? What other names are given to the Invoice Book? Which one seems to be the best? What determine its form and contents? Who is credited with the items of the Invoice Book? What is debited with its footing? How often is its footing posted? What is done with the footing of each page? By what other names is the Sales Book known? To what are its charges debited? To what account are its footings credited? How often should its footings be posted? In what do Cash Books differ? What is said of the use of many money columns? What is said of the use of the Journal? When the footings of other books are journalized, what form do the entries take? What reason for such Journal entries? What objection to them? In what entries is there great lack of uniformity among book-keepers? What is the essential thing about the record of every transaction? When a business is large, how may its accounts be divided? Describe the methods of dividing them? What should the General Ledger include? What is an auxiliary book? Name the commonest ones. On what does the number of representative accounts depend? What divisions of Expense are mentioned? What is said of departments and branch houses? In what ways may a discount made for the payment of a bill before it is due be entered? What is the most important thing to learn? Name the six lines of criticism mentioned. To what business does the Sales Book shown belong? Explain the method of computing the price in each of the four

entries. What check mark is used to indicate that invoices have been sent? Describe the Note Book given. Explain the Remittance Blank that follows. Describe the monthly statement. Describe Seabury & Johnson's Order Book. What unique feature do you see in their Remittance Blank? Describe the Price Book shown. What advantage has the first Ledger described under "Old Friends with New Faces"? What advantage has the second? Describe the Elaborate Balance Sheet. Describe the Skeleton Ledger. By which one of the three general principles are its debits equal to its credits? What columns are not taken from the Ledger? Should these columns be included in the balance? From what are the entries in the Losses Column taken? the Gains Column? Describe the Delivery Book shown. The C. O. D. Book. The Sales Book. The Sales Slips. The Cash Book. What should treasurers do? Describe the Treasurer's Receipt. What should be done promptly? What is said of vouchers? of the care of funds? Describe the Treasurer's Cash Book and Ledger? In the railroad company's Cash Book, explain the meaning of the several entries, and show how they should be posted. Describe the Invoice Book and Sales Book shown on page 218. Describe the Cash Book and Stock Book exhibited on page 219. What is said of the possibilities of single entry? Describe the simple method of book-keeping used in many business houses. What advantages does it possess? what disadvantages? What is said of collections? of monthly statements? What is a common method of collection? What caution is given? How should a Collection Draft be drawn and endorsed? To whom would such a draft be given? What would then be done with it? What other method is mentioned? When would a drawee refuse or delay acceptance? What is said of protesting a draft? Give the substance of the letter to young book-keepers.

APPENDIX.

COMMON ABBREVIATIONS IN MULTIPLICATION.

To multiply when the unit figures added equal 10, and the tens are alike, as 72 by 78, etc. First, multiply the units, and set down the result. Second, add 1 to either number in ten's place, and multiply by the other. Prefix the second result to the first and you have the complete product.

To multiply any number of two figures by 11. Write the sum of the figures between them. When the sum of the two figures is over nine, increase the left-hand by the 1 to carry.

To square any number of 9's without multiplying. Write down as many 9's less one as there are 9's in the given number, an 8, as many 0's as 9's, and a 1.

To square any number ending in 5. Omit the 5, and multiply the number as it will then stand by the next higher number, and annex 25 to the product.

To multiply any two numbers together, each of which involves the same fraction. To the product of the whole numbers add the product of their sum by either fraction; after which, add the product of their fractions.

To multiply any number by $333\frac{1}{3}$, add three ciphers, and divide by three.

To multiply any number by $6\frac{2}{3}$, add two ciphers, and divide by 15; or, add one cipher, and multiply by $\frac{2}{3}$.

To multiply any number by $66\frac{2}{3}$, add three ciphers, and divide by 15; or, add two ciphers, and multiply by $\frac{2}{3}$.

To multiply any number by $8\frac{1}{3}$, add two ciphers, and divide by 12.

To multiply any number by $83\frac{1}{3}$, add three ciphers, and divide by 12.

To multiply any number by $6\frac{1}{4}$, add two ciphers, and divide by 16, or its factors, 4×4 .

ABBREVIATIONS.

@, at.
 $\frac{\%}{c}$, account.
 amt., amount.
 Apr., April.
 Aug., August.
 bal., balance.
 bbl., barrel.
 bg., bag.
 bdl., bundle.
 bl., bale.
 B. P., Bills Payable.
 B. R., Bills Receivable.
 bu., bushel.
 bx., box.
 ¢, cents.
 Co., Company.
 c/o , in care of.
 C. O. D., Collect on delivery.
 C. B., Cash Book.
 com., commission.
 const., consignment.
 Cr., Creditor.
 do., the same.
 drft., draft.
 Dec., December.
 doz., dozen.
 Dr., Debtor.

d's, days.
 E. E., Errors excepted.
 E. O. E., Errors and omissions excepted.
 exch., exchange.
 Feb., February.
 f. o. b., free on board.
 fol., folio.
 ft., foot or feet.
 frt., freight.
 gal., gallon.
 hhd., hogshead.
 in., inch.
 I. B., Invoice Book.
 inst., present month.
 int., interest.
 inv., invoice, inventory.
 Jan., January.
 lb., pound.
 L., Ledger.
 L. F., Ledger Folio.
 Mar., March.
 mdse., merchandise.
 mo., month.
 no., number.
 Nov., November.

N. P., Notary Public.
 Oct., October.
 oz., ounce.
 p., page.
 pp., pages.
 pay't, payment.
 pd., paid.
 pkg., package.
 pc., piece.
 pr., pair.
 per, by.
 pt., pint.
 qr., quarter.
 qt., quart.
 R. R., Railroad.
 rec'd, received.
 S. B., Sales Book.
 Sept., September.
 shpt., shipment.
 ult., last month.
 U. S., United States.
 yd., yard.
 $\frac{1}{4}$, number.
 $1\frac{1}{4}$, one and one-fourth.
 $1\frac{1}{2}$, one and one-half.
 $1\frac{3}{4}$, one and three-fourths.

DICTIONARY OF BUSINESS WORDS AND PHRASES.

Accept, to acknowledge by signature, to agree to perform.

Acceptance, (1) a formal agreement by signature to pay a draft; (2) the common name given to an accepted draft.

Accommodation, the loan of money or signature without valuable consideration.

Accommodation Paper, notes or drafts, made to be discounted, and not founded on business transactions.

Account Current, an itemized statement of business transactions for a definite period.

Account Sales, a statement rendered by a consignee to a consignor, describing in full the sale of a consignment, with charges, etc.

Advance, money paid before the goods are delivered.

Advice, information by letter.

Agent, one authorized to do business for another.

Allowance, a deduction.

Arbitration, a method of settling disputes by leaving the decision to disinterested parties.

Articles of Co-partnership, a partnership contract.

Assignee, a person to whom property is entrusted for the benefit of creditors.

Audit, to examine for accuracy.

Auditor, one who audits.

Balance of Trade, difference between the exports and the imports of a country.

Balance Sheet, a statement showing the condition of a business so arranged that the assets and liabilities balance.

Bearer, the person holding or presenting for payment a note or draft.

Bill-head, a printed form used by merchants and others for invoices.

Bill of Lading, a written document acknowledging the receipt of certain commodities, and promising to deliver them at the proper destination in good order.

Bond, a sealed instrument binding the party who signs it to perform a certain act.

Bondsman, one who gives bonds for the performance of any contract.

Brand, (1) a trademark; (2) a particular kind of goods.

Bullion, uncoined gold or silver.

Cashier, one who has charge of money.

Certified Check, one which the bank on which it is drawn has guaranteed.

Circulating Medium, money.

Clearing House, a banking exchange for settlements between banks.

Commercial Paper, notes, checks, and drafts given in payment for valuable consideration.

Consols, the great government security of England, bearing three per cent interest.

Deficit, a deficiency.

Due-bill, a written acknowledgment of a debt.

Exhibit, a written or printed statement of the affairs, particularly the assets, liabilities, and earnings of a business.

Face, the amount of money expressed in commercial paper.

Factor, a commission merchant.

First-hand, obtained directly from the manufacturer.

Fixtures, the part of the furnishings of a house or store which is not movable.

Footing, amount of a column of figures.

Forced Sales, sales under necessity, usually by auction.

Forgery, altering a note, check, or draft with fraudulent intent, making or passing a false note or draft.

Guaranty, undertaking to pay a debt or perform a contract of another.

Indemnification, securing against loss, damage, or penalty.

Indulgence, extension of time of payment.

Inventory, list of commodities in stock.

Involved, embarrassed by debts.

Jobber, one who buys of manufacturers and sells to retailers.

Letter of Attorney, a writing by which one person authorizes another to act in his stead.

Mercantile Agency a company, or person, that undertakes to give to parties interested the commercial standing of merchants.

Monopoly, the sole right or power to deal in any particular thing.

Notary Public, an official before whom oaths are taken, and who protests commercial paper for non-payment.

Overdraw, to draw checks or drafts to an amount greater than one's balance.

Overdue, remaining unpaid after the time of payment.

Par, nominal value.

Policy, a contract of insurance.

Precious Metals, gold and silver.

Quotations, the prices of stocks, bonds, etc.

Real Estate, property not readily removable, — land, houses, etc.

Sight, the time of presenting a draft to a drawee.

Signature, the name of a person written by himself.

Sinking fund, a fund set apart for the payment of the debts of a corporation.

Specie, gold, silver, copper, or nickel, coined, and used as money.

Teller, a bank officer who receives or pays money.

Terms, conditions of payment.

Trade Discount, discount to a dealer.

Underwriter, an insurer.

Usury, more than legal interest.

Vouchers, documents which prove a fact or an account.

Way-bill, a document containing a list of goods sent by a common carrier.

